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S. HRG. 110–201, PT. 6

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2008

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

ON

S. 1547

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2008 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

PART 6
PERSONNEL

MARCH 28 AND APRIL 18, 2007

Printed for the use of the Committee on Armed Services

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PERSONNEL

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DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2008

WEDNESDAY, MARCH 28, 2007

U.S. SENATE,
SUBCOMMITTEE ON PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

ACTIVE COMPONENT, RESERVE COMPONENT, AND CIVILIAN PERSONNEL PROGRAMS

The subcommittee met, pursuant to notice, at 4:00 p.m. in room SR–232A, Russell Senate Office Building, Senator E. Benjamin Nelson (chairman of the subcommittee) presiding.

Committee members present: Senators E. Benjamin Nelson and Collins.

Majority staff members present: Jonathan D. Clark, counsel; Gabriella Eisen, professional staff member; and Gerald J. Leeling, counsel.

Minority staff member present: Diana G. Tabler, professional staff member.

Staff assistants present: David G. Collins and Fletcher L. Cork.

Committee members' assistants present: Eric Pierce, assistant to Senator Ben Nelson; Stephen C. Hedger, assistant to Senator McCaskill; Mark J. Winter, assistant to Senator Collins; and Clyde A. Taylor IV, assistant to Senator Chambliss.

OPENING STATEMENT OF SENATOR E. BENJAMIN NELSON, CHAIRMAN

Senator BEN NELSON. I'll call the subcommittee to order.

The subcommittee meets today to receive testimony on the Active, Guard, Reserve, and civilian personnel programs in review of the National Defense Authorization Request for Fiscal Year 2008 and the Future Years Defense Program (FYDP).

I'd like to begin by stating how honored I am to chair the Subcommittee on Personnel. It is a great honor, and I look forward to my time as chairman. I'm especially grateful to have Senator Graham as the ranking member. I am sorry he's not here to hear all these nice things I'm going to say about him, but I'm going to say them about him in any event. He and I have worked together for several years. While he was chairman, I was the ranking member, and we always worked well together. Whatever the political divisions of the larger Senate, or Congress, I've found it quite easy

to cross the aisle during my time on the Senate Armed Services Committee, and particularly this subcommittee. We all want to do what's right by our servicemembers and their families. So, I look forward to continuing the relationship with Senator Graham.

I welcome back Senators Kennedy, Lieberman, Collins, Chambliss, and Dole to the subcommittee. I thank them for their continued service. This year, we welcome two new Senators to the subcommittee, Senators Jim Webb and Claire McCaskill. They'll bring unique insights and ideas to the subcommittee, and I look forward to working with them.

Of course, to our witnesses, welcome, Secretary Chu. By my count, this will be at least your ninth appearance before this subcommittee. You probably have not been counting, but you should be. We appreciate your service and dedication to our servicemembers and their families. You've provided continuity and steady leadership in your time with the Department of Defense (DOD), and I thank you for that.

We also welcome today Dr. Stephen Jones, who hails from the great State of South Carolina. Senator Graham is well aware of your presence here today, and I know that he'll be joining us shortly. Dr. Jones is the Principal Deputy Assistant Secretary of Defense for Health Affairs.

Of course, rounding out our first panel is Secretary Thomas F. Hall, Assistant Secretary of Defense for Reserve Affairs.

So, welcome to all of you.

The second panel will consist of the personnel chiefs from each of the Services, and I'll introduce them when the second panel is seated.

We meet today as the fourth year of the war in Iraq comes to a close and we enter a fifth. Since the institution of the All-Volunteer Force in 1973, the Nation has not faced as protracted a conflict as the one it now faces. The force is stressed. Both the Active and Reserve components are stretched thin. It is all the Services can do to ensure the readiness and mission capability of forces deploying, redeploying, and redeploying again to Iraq and Afghanistan. Because of this stress, soldiers and marines are not getting the training they would normally get to ensure their readiness for missions outside of the current conflict. The stress is not limited to our servicemembers. We must not forget their families. The stress on the modern military family is unprecedented. According to a recent report by the American Psychological Association Presidential Task Force on Military Deployment Services for Youth, Families, and Servicemembers, 700,000 children in this country have at least 1 parent deployed away from home. That's mindboggling to consider. In addition to those children, there are the spouses, grandparents, aunts, uncles, and siblings left to raise the children in the absence of their parent or parents. We must never lose sight of the families as we consider what measures to take to enhance the safety and well-being of our servicemembers. Their family is our family.

We also face issues with the physical disability evaluation system. Between the DOD and Department of Veterans Affairs (VA), two disparate systems exist that rate disabled veterans differently. Moreover, the DOD system is so weighed down with bureaucracy that our wounded soldiers have difficulty navigating the system, as

the recent hearings on the issues at Walter Reed Army Medical Center have revealed.

Meanwhile, we're trying to increase the size of the Army and Marine Corps. The administration has belatedly recognized that a larger force was, and is, needed. Growing the force raises obvious questions about recruiting and retention, as well as the right mix of pay, bonuses, and benefits to attract and retain America's best young men and women. Also, as we go down this road of increasing the Army and Marine Corps end strength, we must be sure it's not growth just for the sake of growth. The growth in our ground forces must be tied to a strategic analysis of the global threat in the short-term, as well as the long-term. The growth must be directly tied to the force that is needed to combat those threats.

Increased end strength doesn't come without a cost. While not exactly a zero-sum game, there are budgetary tradeoffs to growing the force. All of this reflects the reality that we face today. Our servicemembers shoulder more responsibility and are increasingly asked to do more. With the increased requirements comes a cost that is difficult to bear.

We absolutely must take care of our soldiers, especially our wounded soldiers and their families. We cannot have another Walter Reed. We must ensure that our soldiers are properly trained and equipped to perform the tasks we ask them to perform, as well.

So, on these issues, there can be no compromise. The issues we face going forward are difficult, but not insurmountable. I look forward to hearing from our witnesses today on the programs and priorities DOD has identified to overcome these challenges.

When Senator Graham arrives, we'll ask him for his opening statement, but, for the sake of the time factor, we would ask you if you would proceed with your opening statements.

STATEMENT OF HON. DAVID S. C. CHU, UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS

Dr. CHU. Delighted to do so, sir. Thank you for your very generous comments in your introductory statement.

I am privileged to be here today to explain the programs proposed by DOD to sustain its people in this long conflict. I think you've correctly noted the challenge we face. This is a long-distance effort, and the fact that the Nation is pursuing it with a volunteer force is a historic decision.

We do have a joint statement, for the record, which I hope you would accept for this hearing.

Senator BEN NELSON. It will be accepted, without objection.

Dr. CHU. Thank you, sir.

It is a lengthy statement, and one might ask, "Why is it so lengthy?" It is lengthy because it illustrates the complexity of sustaining a volunteer force in a long conflict, the many different programs that we need to pursue and support in order to be successful; and we are very grateful for the support that Congress has given us. It has been critical to the success we have enjoyed to date.

I can report, sir, that your All-Volunteer Force is in good health today. You can see that good health in the excellent retention statistics; the people who have joined us are staying with us, and

staying with us at high levels, despite the stress and the burdens that they and their families bear, that you so correctly identified. You can see it also, I think, in the success in recruiting. The four Active Services are meeting their recruiting goals.

I do underscore the importance of broad public support for service in the military of the United States. This is a subject we've discussed before, a subject in which we can all be advocates so that when the young man or young woman comes home and discusses this prospect, he or she is met with enthusiasm and interest, and not with skepticism and doubt. I do think that is a challenge, in terms of national attitudes.

As you noted, sir, DOD is expanding its capabilities. The Air Force and the Navy are doing so with a reduction in the number of people they think they will need in order to carry out their responsibilities. They are, importantly, using the funds freed by those reductions in order to bolster the investment accounts to buy the new-generation equipment that's so essential to our long-term success.

The Army and the Marine Corps, in contrast, are increasing their end strength at the same time the DOD is proposing increases in their investment accounts. That does mean that the Army, specifically, does receive a larger share of the overall DOD budget.

We are creating additional manpower capacity through one other route, and that is the conversion of military billets in nonmilitary occupational areas to civil status. Through the end of this fiscal year, we anticipate the conversion, department-wide, of approximately 31,000 billets; and, by the end of fiscal year 2013, we think that total will reach 55,000, on a cumulative basis.

We do need some new authorities, sir, and let me highlight, if I may, in the fiscal 2008 effort three areas, in particular, that enjoy high priority in DOD's proposals.

First, some modest relief, in terms of grade restrictions for mid-career officers and for E–9s. We find, with the advent of additional joint headquarters, joint efforts, combined efforts, integrated efforts, as some would describe them, where we work with non-government organizations (NGOs), that we need more of those who are equipped to deal with these complex issues that we face today.

Second, we would very much like to seek, from Congress, broad demonstration authority to manage officer communities in a manner different from that which is constrained by the Defense Officer Personnel Management Act. We would restrict that authority, in terms of its scope, so that we can try out on a limited basis what might be promising ideas for the long-term for a wider section of the force.

The third area in which we'd seek new authorities has to do with how special pays in the military are constructed and the variety of pays and bonuses that we offer in order to provide incentive or recompense for the duties that individuals undertake. There are now approximately 60 different sections of statute on this point. It's often confusing to the individual servicemember why he or she is paid this way in this circumstance and a different way in another circumstance. It's also a significant administrative challenge for the DOD. My hope would be that we can bring these separate pay au-

thorities under a small number of broader headings that would make them more efficient, make them more easily understood by our people, and that would, at the same time, make them more effective in carrying out our responsibilities to sustain this All-Volunteer Force.

If I may, sir, I would turn to my colleagues, Secretary Hall and Dr. Jones, and ask them, very briefly, to say a word about their areas of responsibility.

Thank you, sir.

[The joint prepared statement of Dr. Chu, Mr. Hall, and Dr. Jones follows:]

JOINT PREPARED STATEMENT BY HON. DAVID S. C. CHU, HON. THOMAS F. HALL, AND DR. STEPHEN L. JONES, DHA

INTRODUCTION

Mr. Chairman and members of this distinguished subcommittee, thank you for inviting us to be here today.

We are now in the sixth year of a "Long War." A necessary condition for success is the continued viability of our All-Volunteer Force. We all agree that the dedication and superb performance of Active and Reserve servicemembers and Department of Defense (DOD) civilians—our Total Force—are beyond dispute.

To that Total Force we must also add the families of those who serve. Without their strong support and willingness to sacrifice, we could not sustain adequate numbers of high-performing soldiers, sailors, airmen, and marines. These men and women must go into harm's way confident that the welfare of those they hold dear is protected.

We face two fundamental and related challenges. First, we must continue to attract and retain high quality, motivated individuals for Active and Reserve military service and we must maintain an enthusiastic and skilled civilian workforce.

Second, we must make hard choices, weighing sufficiency against the risks of an uncertain future. As we invest in our human capital, we must do so judiciously. While our future challenges may often seem without bounds, our resources are not. We must choose wisely.

THE ALL-VOLUNTEER FORCE

Shaping the Force. We will balance our end strength needs—increasing where we must, decreasing where it makes sense. To that end, we propose to permanently increase the end strength of the Army and Marine Corps, focusing on combat capability. However, planned reductions resulting from transformation efforts in the active Air Force and Navy manpower programs, and the Navy Reserve, as stated in our fiscal year 2008 President's budget request, balance risk with fiscally responsible manpower program decisions.

To support these programmed strength reductions, we have developed an integrated package of voluntary separation incentives. We want to recognize the enhancement to the targeted incentive authority that you provided us, which allows us to offer monetary incentives to shape the military Services by offering these incentives to non-retirement eligible officer and enlisted personnel in specific grade, skill and year service cohorts. Voluntary incentive tools like this are of particular importance when the Air Force and Navy are decreasing in size while the Army and Marine Corps are increasing operating strength. Our goal is to use these tools sparingly to make sure our forces are sized and shaped to be the most effective, flexible and lethal. Only if voluntary separations do not suffice would the military departments, as a last resort, implement involuntary separation measures such as Early Discharge Authority or Selective Early Retirement.

Military-to-civilian conversions help alleviate stress on the force and reduce workforce costs. This initiative replaces uniformed servicemembers in activities that are not "military essential" with DOD civilians or private sector contractors. By the end of fiscal year 2007, the number of conversions should exceed 31,000. When conversions programmed through fiscal year 2013 are completed, the total number of conversions should exceed 55,500. In addition, DOD components have established goals that could eventually raise this number to over 62,000.

When the Navy and the Air Force convert military billets to DOD civilian or private sector performance, they reduce their military end strength without any loss

of combat capability. Because the average costs of civilians are less than the average costs of military, there are net savings that are used for force modernization, recapitalization, and other compelling needs.

When the Army and Marine Corps convert military billets, both Services retain the military end strength so it can be reallocated to operating units to increase force capability, thereby reducing the pressure on recruiting. Military-to-civilian conversions likewise offer both Services a way to man units more quickly at the mid-grade level. Because civilians cost less on average than their military counterparts, military conversions provide a less expensive way of increasing the size of the operating force than an increase to military end strength would provide.

Active Duty Recruiting

During fiscal year 2006, the active duty components recruited 167,909 first-term enlistees and an additional 12,631 individuals with previous military service, attaining over 100 percent of the DOD goal of 179,707 accessions.

While meeting our quantitative goals is important, we also need to have the right mix of recruits who will complete their term of service and perform successfully in training and on the job. The "quality" of the accession cohort is critical. We typically report recruit quality along two dimensions—aptitude and educational achievement. Both are important, but for different reasons.

All military applicants take a written enlistment test called the Armed Services Vocational Aptitude Battery. One component of that test is the Armed Forces Qualification Test (AFQT), which measures math and verbal skills. Those who score above average on the AFQT are in Categories I–IIIA. We value these higher-aptitude recruits because they absorb training lessons and perform better on the job than their lower-scoring peers (Categories IIIB–IV). These category groupings describe a range [1] of percentiles, with Category I–IIIA describing the top half of American youth in math and verbal aptitudes.

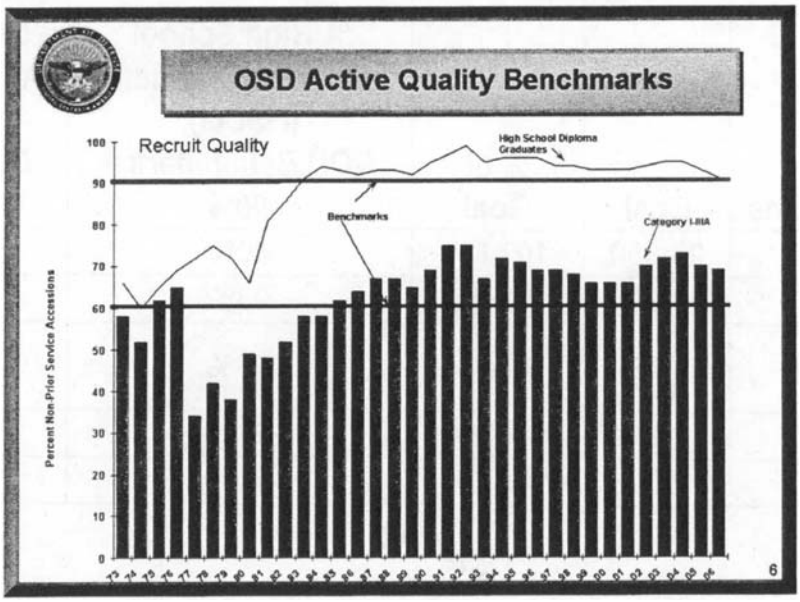
We also value recruits with a high school diploma because they are more likely to complete their initial 3 years of service. About 80 percent of recruits who have received a traditional high school diploma complete their first 3 years, yet only about 50 percent of those who have not completed high school will make it. Those holding an alternative credential, such as a high school equivalency or a General Educational Development certificate, fall between those two extremes.

In conjunction with the National Academy of Sciences, the Department reviewed how best to balance educational attainment, aptitude, recruiting resources, and job performance. With an optimizing model we established recruit quality benchmarks of 90 percent high school diploma graduates and 60 percent scoring above average on the AFQT. Those benchmarks are based on the relationship among costs associated with recruiting, training, attrition, and retention using as a standard the performance level obtained by the enlisted force cohort of 1990—the force that served in Operations Desert Shield/Desert Storm. Thus, the benchmarks reflect the aptitude and education levels necessary to minimize personnel and training costs while maintaining the required performance level of that force.

For over 20 years, the military Services have met or exceeded the Department's benchmarks for quality active-duty recruits (Figure 1).

[1] AFQT (Math-Verbal) Percentile: I (93–99); II (65–92); IIIA (50–64); IIIB (31–49); IV (10–30).

Figure 1. DoD Quality 1973-2006



The quality of new active duty recruits remained high in fiscal year 2006. DOD-wide, 91 percent of new active-duty recruits were high school diploma graduates (against the goal of 90 percent). This compares favorably to the national average in which only about 80 percent graduate from high school. On the AFQT, 69 percent are drawn from the top half of America's youth (versus a desired minimum of 60 percent).

Through January, all Services have met or exceeded numerical recruiting objectives for the active force. Army achieved 28,407 of its 26,350 recruiting goal, for a 108 percent year-to-date accomplishment (Table 1). The Active Army did fall short of recruits with a high school diploma (80 percent versus the desired 90 percent). Although the Army is slightly below the desired number of recruits scoring at or above the 50th percentile on the AFQT, we look for the Army to achieve the DOD benchmark by the end of fiscal year 2007.

TABLE 1. FISCAL YEAR 2007 ACTIVE DUTY ENLISTED RECRUITING THROUGH FEBRUARY 2007

	Quantity			Quality	
	Accessions	Goal	Percent of Goal	Percent High School Diploma Graduate (HSDG); DOD Benchmark = 90 Percent	Percent Scoring at/above 50th Percentile on AFQT (Categories I–IIIA); DOD Benchmark = 60 Percent
Army	28,407	26,350	107.8	80	59
Navy	13,001	13,001	100.0	93	73
Marine Corps	11,694	11,357	103.0	95	67
Air Force	11,315	11,315	100.0	98	79
Total	64,417	62,023	103.9	90	68

Active Duty Retention

Overall, in fiscal year 2006 we exceeded Active duty retention goals across the board. The Army, Air Force, and Marine Corps met fiscal year 2006 active duty retention goals in every category. The Navy retained in high numbers at the outset

of the year, but a focus on physical fitness test performance led to an increase in disqualification among first-term sailors later in the year. Navy is on a planned, controlled path to reshape the force and will continue to monitor carefully zone behavior by skill set.

For fiscal year 2007, active duty retention continues on track (Table 2). The Army, Air Force and Marine Corps met or exceeded their overall active duty retention missions, although Army lags in the mid-career category. Historically, Army begins the year slowly and finishes strong; thus we are predicting that Army will meet its reenlistment goals in all categories, including mid-career, for fiscal year 2007.

While Navy numbers remain below monthly goals in Zone A and Zone B, they should meet their Zones B and C goals at the end of the fiscal year, but will be challenged to meet their Zone A target. Navy will take necessary actions to influence reenlistment decisions and meet reenlistment goals.

TABLE 2. FISCAL YEAR 2007 ACTIVE DUTY ENLISTED RETENTION THROUGH FEBRUARY 2007

	Reenlisted Through February 2007	Mission
Army		
- Initial	12,442	10,384
- Mid-Career	8,203	8,881
- Career	6,188	6,163
Navy		
- Zone A	5,079	6,405
- Zone B	3,977	4,432
- Zone C	2,279	2,163
Air Force		
- Zone A	7,467	7,500
- Zone B	4,347	4,583
- Zone C	2,664	2,767
Marine Corps		
- First	5,504	3,458
- Subsequent	3,389	3,250

Of course, our retention efforts ultimately support the delivery of seasoned performers to higher ranks. In recent years, the grade proportions have shifted upward slightly as we continue to field weapon systems and units with fewer lower-grade positions. This will require legislative change to adjust some of our grade structures.

The Army is the only Service currently using Stop Loss. As of January 2007, the Army Stop Loss program affected less than half of one percent of the total force (7,148 Active component, 1,537 Reserve, and 2,053 National Guard soldiers). The active Army Unit Stop Loss program takes effect 90 days prior to unit deployment or with official deployment order notification, if earlier, and remains in effect through the date of redeployment to permanent duty stations, plus a maximum of 90 days. Reserve component Unit Stop Loss begins 90 days prior to mobilization or with official mobilization alert deployment order notification, if later, and continues through mobilization, and for a period up to 90 days following unit demobilization. The Secretary has directed that we minimize the use of Stop Loss.

Purpose, Missions, and Policies of the Reserve Components

The Department's use of the Reserve components has changed significantly since 1990, and a mission-ready National Guard and Reserve Force has become a critical element in implementing our national security strategy. The National Guard also remains integral to homeland defense missions and will remain a dual-missioned force, performing Federal and State missions, exemplified by numerous National Guard members who responded to hurricanes, floods, blizzards, and wildfires.

The Reserve components support day-to-day defense requirements, and portions of the Reserve have served as an operational force since Operation Desert Shield/Operation Desert Storm. This force is no longer just a strategic Reserve. Since September 11, 2001, an annual average of about 60 million duty days have been provided by Reserve component members—the equivalent of adding over 164,000 personnel to the active strength each year.

The Reserve components support the full spectrum of operational missions and are currently furnishing about 18 percent of the troops in the Central Command (CENTCOM) theater of operations. The Reserve components perform a variety of nontraditional missions in support of the global war on terror, including providing

advisory support teams in support of the training that will allow Iraqi and Afghan forces to assume a greater role in securing their own countries.

To assist in this transformation of the Reserve components, the Department initiated a "Continuum of Service" paradigm aimed to provide more flexibility in creating needed capabilities and to ensure seamless and cost-effective management of military forces. It prescribes both organizational and systemic change in order to more effectively manage individuals throughout their military career, while meeting the full spectrum of military requirements in peacetime and wartime with greater efficiency and economy of resources. The continuum of service enhances the spirit of volunteerism by providing more ways in which military service can be performed to support DOD missions. The continuum provides more extensive opportunities for the part-time force to volunteer for extended service. Facilitating transitions between levels of participation reflects the convergence of two goals: that of an operationally integrated total force and that of a seamless force—one where members can easily move between full- and part-time status. Facilitating these goals was the creation of the "Operational Support" strength accounting category authorized by Congress in the National Defense Authorization Act (NDAA) for Fiscal Year 2005, which makes it easier and less disruptive for Reserve component members to volunteer to perform operational missions.

Recognizing that this Operational Reserve is still a Reserve Force, our policies continue to support the prudent and judicious use of National Guard and Reserve members—something we have emphasized since 2001. We have focused on husbanding Reserve component resources and being sensitive to the quality-of-life of mobilized personnel, their families, and the impact on civilian employers of reservists. Our policies stress advance notification to aid in predictability, as well as now enabling reservists and their families to take advantage of early access to medical benefits.

This Operational Reserve supports ongoing missions where appropriate, while providing the additional Reserve capacity needed to meet surge requirements or support wartime or contingency operations. This new construct allows greater flexibility to perform new missions ideally suited to Reserve service, such as "reach-back" missions (Intelligence, Communications, Unmanned Arial Vehicles, etc.) and training missions.

Reserve and National Guard Utilization

There continues to be considerable discussion about the stress that the global war on terror places on the force. Recent guidance from the Secretary of Defense established new tenets of Reserve mobilization to support our members, their families, and their employers better while continuing to meet mission requirements. These principles include limiting involuntary unit mobilizations to no more than 12 months, followed by a 5 year dwell of no involuntary mobilizations; minimizing the use of Stop Loss; managing mobilization of ground forces on a unit basis; and emphasizing use of our hardship waiver programs. These principles will provide for increased predictability and unit integrity; focus on the extreme circumstances facing certain families; and, ensure force availability.

Almost 565,000 Reserve component members have served in support of the current contingency since September 11, 2001 and more than 127,000 have served more than once—with almost all (99 percent) of those 127,000 volunteering for those tours. Of the current Selected Reserve Force of about 831,000 today, slightly more than 47 percent have been mobilized. We are monitoring the effects of this usage using the metrics of strength achievement, recruiting rates, attrition rates, and employer relations through the number of alleged employer mistreatment discussed below.

Although end strength achievement in fiscal year 2006 was less than 100 percent (97.1 percent) the downward trend of the previous 2 years was reversed. The shortfall was primarily in the Army National Guard and the Navy Reserve. Fiscal year 2007 projections, based partially on first quarter fiscal year 2007 data, indicate we will see continued improvement in end strength achievement.

Department of Labor (DOL) cases involving Reserve component member claims of mistreatment by civilian employers have risen from 724 in fiscal year 2001 to 1,366 in fiscal year 2006. This is not surprising considering the mobilization of nearly a half million Reserve personnel, and a usage rate of Reserve component members in 2006 five times higher than in 2001 (approximately 60 million man-days in 2006 compared to 12.7 million man-days in 2001). When normalized for usage, the rate of cases is consistent. DOD and DOL have established a Memorandum of Understanding that enhances communication and information sharing and mobilizes all available government resources for Reserve component members.

Reserve Component Recruiting

In a challenging recruiting environment, the DOD Reserve components reversed the downward trend of the preceding 3 years and, cumulatively, achieved 97 percent of their fiscal year 2006 recruiting objectives—a significant increase over the 85 percent achievement in fiscal year 2005. Two of the six DOD Reserve components exceeded their recruiting objectives—the Marine Corps Reserve and the Air Force Reserve. The Army National Guard and Air National Guard came close to making their goals, achieving 98 percent and 97 percent, respectively. The Army Reserve fell short by 1,653 (achieving 95 percent), and the Navy Reserve fell short by 1,458 (achieving 87 percent). The improved recruiting results, coupled with low attrition, have helped the Reserve components achieve better end strength posture.

Through February of fiscal year 2007, four of the six DOD Reserve components are exceeding their recruiting objectives (Table 3).

TABLE 3. RESERVE COMPONENT RECRUITING PERFORMANCE THROUGH FEBRUARY 2007

Reserve Enlisted Recruiting, Fiscal Year 2007 Through February	Goal	Accessions	Percent of Goal	Percent High School Diploma Graduate (HSDG)	Percent Scoring at or above 50th Percentile on AFQT (Cat I–IIIA)
Army National Guard	25,470	26,703	105	93	58
Army Reserve	11,600	10,926	94	92	57
Naval Reserve	4,018	3,598	90	92	72
Marine Corps Reserve	3,015	3,128	104	95	70
Air National Guard	3,724	3,935	106	98	74
Air Force Reserve	2,744	2,811	102	99	70

Quality marks continue to show improvement throughout the Reserve components with only a slight shortfall in AFQT levels for the Army National Guard (ARNG) and U.S. Army Reserve (USAR). The young men and women being recruited today are among America's finest.

The Army is aggressively pursuing Reserve component recruiting through three avenues: (1) extension of the quick ship bonus and improvements in the Reserve Partnership Councils; (2) stronger incentives, with increased enlistment bonuses for both prior service and non-prior service recruits; and (3) increased advertising expenditures, including targeted advertising to parents and others who influence the decisions of young Americans. Your support of these efforts is essential.

Reserve Retention

The percentage of reenlistment goal achieved increased in fiscal year 2006 to 104 percent, up from 100.1 percent in fiscal year 2005. This increase, for the fifth straight year, reflects the positive trend that we believe will continue in fiscal year 2007, if we maintain the course of judicious and prudent use.

Measuring all losses from the Reserve components, regardless of reason, indicates that enlisted attrition remained below established ceilings for fiscal year 2006, a very positive trend. The composite (officer + enlisted) attrition rate of 18.4 percent was the lowest it has been since fiscal year 1991. In fiscal year 2007, through January 2007, enlisted attrition is on track to remain below ceilings established by each Reserve component. We are closely monitoring retention/attrition, particularly for those members who have been mobilized and deployed to support operations in Iraq and Afghanistan.

TABLE 4. RESERVE COMPONENT ATTRITION THROUGH JANUARY 2007

Selected Reserve Enlisted Attrition Rate (in percent)	2000 YTD (Jan. 2000)	Fiscal Year 2006 YTD (Jan. 2006)	Fiscal Year 2007 YTD (Jan. 2007)	Fiscal Year 2007 Target (Ceiling)
Army National Guard	6.90	5.99	6.59	19.5
Army Reserve	8.97	6.54	7.29	28.6
Navy Reserve	10.36	11.56	10.13	36.0
Marine Corps Reserve	9.69	7.72	9.01	30.0
Air National Guard	4.36	3.61	3.47	12.0
Air Force Reserve	6.94	4.65	5.60	18.0
DOD	7.51	6.24	6.64	N/A

Of all the strategies to help reduce the stress on the force, still the first and perhaps most important is rebalancing. Rebalancing improves responsiveness and eases

stress on units and individuals by building capabilities in high-demand units and skills. In 2003, rebalancing was defined to include low demand structure to high demand structure as well as multiple initiatives such as military-to-military conversions, technology insertions, and organization of forces. In fiscal year 2006 (post Quadrennial Defense Review (QDR)), the definition of rebalancing was refined and updated to reflect solely the addition of structure (spaces) from low demand to high demand on "stressed" capability areas. Rebalancing can occur by adding force structure to stressed capability areas in the Active component, the Reserve component (Guard or Reserve), or any combination thereof.

The Services continued to improve their Active/Reserve component mix by rebalancing approximately 19,000 spaces in fiscal year 2006, for a total of about 89,000 spaces to date. The Services have planned and programmed an additional 37,000 spaces for rebalancing between fiscal years 2007 and 2012. The amount and type of rebalancing varies by Service. By 2012, we expect to have rebalanced about 126,000 spaces. Rebalancing is a continuous and iterative process. The Department will continue to work closely with the Services as they review and modify their rebalancing plans to achieve the right mix of capabilities and alignment of force structure.

The mission of the National Committee for Employer Support of the Guard and Reserve (ESGR) is directly related to retention of the Guard and Reserve Force. ESGR's mission is to "gain and maintain support from all public and private employers for the men and women of the National Guard and Reserve as defined by demonstrated employer commitment to employee military service." Employer support for employee service in the National Guard and Reserve is an area of emphasis, considering the continuing demand the global war on terror has placed on the Nation's Reserve components. The broadbased, nationwide support for our troops by employers continues to be superb.

Through its locally-based network of 3,500 volunteers and its full-time national staff, ESGR reaches out to both employers and servicemembers to help ensure the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA), 38 U.S.C., (sections 4301–4334) are understood and applied. Servicemembers and employers may resolve USERRA conflicts by utilizing the free mediation and ombudsman services provided by ESGR. ESGR's aggressive outreach efforts have resulted in a 50 percent reduction in the number of ombudsman cases from 2004 to 2005. ESGR continually increases the percentage of cases resolved through informal mediation.

We established the Civilian Employment Information database and now require Reserve component members to register their employers. ESGR has established a Customer Service Center hotline to provide information, assistance and to gather data on issues related to Reserve component service. Used together, these databases enable ESGR to develop personal relationships with employers, measure and manage employment issues, and advise the Department when developing policies and practices to mitigate the impact on employers when a reservist employee is called to military duty.

COMPENSATION AND MANAGEMENT

Compensation

The men and women of today's Armed Forces are highly motivated, of superior quality, and extremely capable of meeting the national security objectives associated with the global war on terror and other operational engagements. To sustain this highly-skilled All-Volunteer Force, we must continue to work together to ensure a robust and competitive compensation package for our wartime professionals. We are grateful to Congress for its commitment to improving basic pay, housing and subsistence allowances, bonuses, special and incentive pay, and other key benefits over the past several years. These enhancements have been extremely beneficial to the well-being of the members of our Armed Forces and their families.

Since September 11, 2001, the Department and Congress have worked together to increase military basic pay by approximately 28 percent. We are appreciative of Congress' support in the NDAA for Fiscal Year 2007 to increase pay for higher ranking enlisted personnel and warrant officers as well as extend the pay table to encourage longer service. We have achieved our goal of pay equal to or greater than the 70th percentile of private sector pay for those with comparable levels of age, education and experience. We continue our strong commitment to provide a secure standard of living for those who serve in uniform by requesting a 3-percent increase in military pay for all servicemembers in the fiscal year 2008 budget. This increase is equal to earnings increases in the private sector as measured by the Employment Cost Index.

Servicemembers must be confident that they can afford adequate housing when they move in the service of their country. Therefore, the housing allowance is one of the key elements of a competitive compensation package. The basic allowance for housing increased almost 80 percent since 2001, as a direct result of the close cooperation between the Department and Congress. To ensure the allowance accurately reflects the current housing markets where servicemembers and their families reside, the Department will continue its efforts to improve our data collection.

A top priority for the Department is ensuring servicemembers and their families receive appropriate compensation while members are deployed and serving their country in dangerous locations around the world. Military personnel serving in Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) in a designated combat zone, as well as members serving in direct support of these operations, receive combat zone tax relief benefits that exclude all pay of our enlisted members and most of officers' pay from Federal income tax. These servicemembers also receive $225 per month in Hostile Fire/Imminent Danger Pay, and those who have dependents receive an additional $250 per month in Family Separation Allowance. Additionally, members assigned in Iraq and Afghanistan qualify for Hardship Duty Pay (HDP)-Location at the rate of $100 per month, and $105 per month in incidental expense allowance.

The Department is grateful to Congress for its continued support of Assignment Incentive Pay (AIP) as a flexible and responsive means for Services to appropriately compensate members who are called on to extend their service in demanding assignments. Continuing our commitment to ensuring appropriate compensation for our combat warriors, we urge Congress to support the Department's request for more flexible tools with which to manage the deployment of servicemembers. We request authorization to modify the definition of deployment, eliminate statutory thresholds and management oversight mechanisms, repeal a currently-suspended requirement to pay High Deployment Allowance and replace it with compensation from HDP, and increase the maximum allowed rate for HDP from $750 to $1,500.

As follow-on to a 2001 comprehensive report to Congress on the Uniformed Services Former Spouses Protection Act (USFSPA), the Department is requesting Congress' support for a balanced package of proposed improvements for both military members and former spouses. Our USFSPA proposals are grouped into four major areas: retirement pay; Defense Finance and Accounting Service (DFAS) improvements; procedural improvements; and Survivor Benefit Plan (SBP). Proposals include initiatives to prohibit court-ordered payment of retired pay prior to retirement; compute divisible retired pay based on rank and years of service at divorce; allow direct payments from DFAS in all cases (not just cases with more than 10 years of marriage); and allow split of SBP between former and current spouses.

We must continue to work together to ensure we honor our Active and Reserve members with a competitive compensation package. Successful execution of the global war on terror demands no less. Therefore, the Department discourages the expansion of entitlements and the creation of new ones that do not improve recruiting, retention, or readiness in a manner commensurate with their cost.

Last year, the Defense Advisory Committee on Military Compensation reviewed matters pertaining to military compensation, examining approaches to balancing military pay and benefits and incentive structures and made suggestions for improvements that they believe will assist us in meeting our recruiting and retention objectives. We are using the findings and recommendations of the Advisory Committee's report as a starting point for the Tenth Quadrennial Review of Military Compensation (QRMC), mandated by statute.

The Tenth QRMC was tasked to pay particular attention to: (1) the potential for consolidation of special pays and bonuses into fewer, broader, and more flexible authorities; and (2) the potential need for enactment of broader and more flexible authorities for recruitment and retention of uniformed services personnel. Currently, the large number of special and incentive pays available dilutes the effectiveness of the pays to influence behavior, and makes the system unwieldy and difficult to administer and oversee. The degree of flexibility among the many different pays also varies. Most special and incentive pays are narrowly focused, with strict statutory limits on how they are disbursed. The QRMC is recommending a proposal which replaces the more than 60 pays that now address relatively narrow staffing issues with 8 pay categories designed to cover a broad range of personnel needs.

Defense Travel Management Office

Since its establishment in February 2006, the Defense Travel Management Office (DTMO) has made major strides toward consolidating all DOD commercial travel services in one place—a first for the Department. The DTMO serves as the one authoritative, responsible agency for commercial travel within the DOD and as a "sin-

gle face" both within the Department and to industry. Primary functions are commercial travel management, travel policy and implementation, travel card program management, travel guidance and procedures, and functional oversight for the Defense Travel System.

Numerous benefits result from having one authoritative, responsible agency for commercial travel within the Department. DTMO implemented a change management process that includes governance boards to set and execute the vision for commercial travel and provide the Services and Defense agencies with a forum for articulating their travel needs. This is a smart business approach, ensuring consistency and integration of focus, policy and implementation across the Department and in dealings with industry. We are confident that these efforts will enable us to provide the best service to the traveler while ensuring the best value for the government.

Sexual Assault Prevention

The Department's Sexual Assault Prevention and Response (SAPR) Program has made great progress during the past year. The DOD Sexual Assault Prevention and Response Office (SAPRO) has been established and is fully staffed with permanent government employees.

The Department's implementation instruction (DODI 6495.02) was published in June 2006. This instruction forms the framework of a comprehensive response structure and protocol that ensures a consistent level of care and support worldwide for military victims of sexual assault. Both the Directive, published in 2005, and Instruction implement a fundamental change in how the Department responds to sexual assault with a confidential reporting structure for victims of sexual assault. This removes a major barrier to reporting by enabling victims to receive medical care without necessarily initiating a criminal investigation. Confidential, or restricted, reporting has been available since June 2005. After our first full year of restricted reporting, analysis indicates that the program is meeting our objective of increasing victim access to care and support.

The Department has an aggressive SAPR training and education program that ensures training is conducted throughout every servicemember's career at both the unit level and at all professional military education programs. SAPRO conducted a worldwide Sexual Assault Response Coordinators (SARC) Conference in June 2006, training more than 350 SARCs from installations around the world. The military Services have implemented ambitious training programs to meet this requirement and to provide trained SARCs at all major installations. Overall, the Services have provided prevention training to over 1 million active duty servicemembers. This aggressive training and outreach program, along with confidential reporting, will predictably result in an increase in the overall number of reported sexual assaults in DOD.

The Department's next steps in 2007 will focus on continued guidance to the Services and oversight of their implementation of the SAPR program. The Under Secretary of Defense for Personnel and Readiness (USD(P&R)) will chair the DOD Sexual Assault Advisory Council in April, which is Sexual Assault Awareness Month. A Prevention Summit is scheduled for July 2007, which will result in a collaborative Service-wide prevention strategy for the military Services. SAPRO will conduct site visits to Service programs at selected installations. We will use the Defense Task Force on Sexual Assault in the Military Services as another source to evaluate the effectiveness of the SAPR program.

READINESS

Readiness Assessment and Reporting

The Department must track the current status and capabilities of forces across the Department. Over the past year we have increased the capabilities of our new Defense Readiness Reporting System (DRRS). DRRS contains near real time assessments of military capabilities in terms of the tasks or missions that units and organizations are currently able to perform. These assessments are informed by the availability of specific personnel and equipment. Over the past year, our partnerships with United States Northern Command, United States Joint Forces Command, United States Pacific Command, and United States Strategic Command have produced working, scalable versions of measurement, assessment and force management, and contingency sourcing tools. Of special interest this year is our work with the Department of Homeland Security to develop the National Preparedness System, which will provide increased situational awareness and assist the Department to integrate and coordinate our response to domestic crisis. Development of DRRS will continue through 2008.

Transforming DOD Training

With your steadfast support, we have achieved significant advances in joint training and education, but more progress is urgently needed to prepare for complex multinational and interagency operations in the future. Our forces must be capable of adapting to rapidly changing situations, ill-defined threats, and a growing need to operate across a broad spectrum of asymmetric missions, including stability, security, transition, reconstruction, joint urban, information operations, and disaster response. As a result of these and other changes, the motto for our Training Transformation program has evolved with our operational experience from "Training as We Fight" to "Train as We Operate."

Following the direction of the 2006 Strategic Planning Guidance, we conducted a Joint Training Program Review. The results of this first-ever review focused on joint training were approved in September 2006 by the Deputy Secretary of Defense's Advisory Working Group which directed us to consolidate Joint Training Program resources into the Combatant Commanders Exercise Engagement and Training Transformation (CE2T2) program. Although "new" in name, the CE2T2 account simply consolidates existing joint training resources. In the past, dollars, authorities, and responsibilities were spread over many different organizations.

Among the top objectives for this consolidated account is providing the combatant commanders with more direct control of their training and exercise funding. It is not new funding or program growth. We ask for your support of this account.

The Department's Training Transformation Program remains focused on melding world-class individual Service competencies and training capabilities into a cohesive joint capability. We are implementing three joint capabilities: Joint Knowledge Development and Distribution Capability (joint training and education for individuals), Joint National Training Capability (joint unit and staff training), and Joint Assessment and Enabling Capability (assessments to answer the question: are we truly transforming training?).

The Joint Knowledge Development and Distribution Capability (JKDDC) provides access to Service and DOD Agency learning management systems, anywhere and anytime. Populated with over 90 joint courses for combatant command (COCOM) staffs, training audiences in NATO, Partnership for Peace member nations, the Joint Force Headquarters States' Staff (National Guard Bureau staff) initiative, Individual Augmentee Training classes, and other programs, the JKDDC Web site addresses prioritized COCOM needs and fills individual joint knowledge gaps and seams. We have fully integrated JKDDC with Defense Knowledge Online and existing U.S. Joint Forces Command Joint Warfighting Center programs, including the NATO School. Later this year we expect to extend the reach to new learning audiences through the Internet and other portals. Two representative courses we provide individuals are the Joint Planning Orientation and Joint Interagency Coordination Group.

Joint National Training Capability (JNTC) is providing realistic distributed joint context to the Services' and COCOMs' training sites and events. JNTC has already moved from discrete "throw-away after one use" events to a more persistent "stay-behind" capability and a supporting communications infrastructure. Service and COCOM training sites and training events are now being accredited to conduct specific Joint tasks and technically certified to Joint standards. Twenty-one Service and combatant commander training programs are accredited, 23 sites are certified, and more are scheduled for this fiscal year. We continue to decrease planning time for joint training and mission rehearsal exercises. We are distributing joint training over large distances to the right training audience for their specific mission needs. Jointness is moving from the strategic to the tactical level—all DOD operations in the global war on terror are joint. We are creating a Live, Virtual, Constructive (LVC) environment that supports efficient participation of joint forces in appropriate training across the country and around the world. This year we are expanding this environment to include Australia's Defence Training and Experimentation Network. When not utilized for joint training, this LVC environment is being used by the Services to improve their own title 10 training capability. JNTC will also continue interoperability initiatives such as the Open Net-centric Interoperability Standards for Test and Training and state-of-the-art PC-enabled models and simulations.

Our Joint Assessment and Enabling Capability creates a performance assessment architecture and uses it as a starting point for the conduct of a block assessment and balanced scorecard assessment. Our first block assessment will serve as a baseline set of metrics to measure Training Transformation. Upon completion of these assessments and outcome measurements of Training Transformation missions and programs, we will adapt and revise our strategic guidance and programmatics.

Because of your support and these past investments in joint training capability, our deploying forces are now able to be trained for their upcoming assigned joint

force missions prior to their employment in the joint operations areas. Such agility, immediately responsive to operational lessons learned from theater and changing mission taskings, would not have been achievable a few years ago.

Training Transformation also focuses on improving DOD's integrated operations with other U.S. Government agencies, among levels of government, and with our multi-national partners. Integrating DOD capabilities better with those of other Federal entities, including the Departments of State and Homeland Security, leverages all the elements of national power to achieve national security objectives.

Our Advanced Distributed Learning (ADL) initiative is a key enabler of Training Transformation. The initiative is leading the way in developing interoperability standards for online learning. While the standards are now required within the DOD, they are also being adopted as a global standard in education and training. We have formed partnerships with other Federal agencies as well as other countries at their request, to include Canada, the United Kingdom, Australia, Korea, and a consortium of 13 Latin American countries. ADL works to form a common framework for sharing education and training programs with interagency and international partners.

Training Transformation has created a capability to tailor distributed training to deploying forces. We have transformed our training by extensive use of rigorous and relevant mission rehearsal exercises based upon and tailored to the combat conditions the unit will experience once deployed in theater. Our priority for joint training is to establish mission rehearsal exercises for the deploying force. Exercise Unified Endeavor 07–1 this past fall prepared Army's 82nd Airborne Division headquarters and staff for their current rotation in Afghanistan to head Combined Joint Task Force 76 (CJTF 76) in OEF operations. The exercise inserted near real-time lessons learned from the Afghan theater of operations to improve the relevancy and rigor of the training. Tailored, realistic joint training tasked members of the training audience to conduct joint operations while coordinating air, ground, and space forces with the ongoing ground campaign and all its related cultural exigencies. The CJTF 76 leadership also had to work with senior and staff-level representatives from NATO, coalition, Afghan, Federal (i.e., Department of State, Drug Enforcement Agency, and others), private volunteer, and non-governmental organizations during each phase of the training and mission rehearsal exercise—many of whom deployed to the training venues from their in-theater bases. Few of these joint training and mission rehearsal capacities and capabilities were in practice pre-Training Transformation just 4 years ago.

Defense Mishap Reduction Initiative

As a world-class military, we do not tolerate preventable mishaps and injuries. The direct cost of mishaps is over $3 billion per year, with estimates of total costs up to $12 billion.

We have rededicated ourselves to achieve our 75 percent accident reduction goal and are aggressively working toward it. For example, the Marine Corps has reduced its civilian lost day rate by 62 percent and last fiscal year the Air Force achieved the best aviation class "A" mishap rate in its history.

To get to the next level in military and civilian injury reductions, safety is now a performance element under the new National Security Personnel System (NSPS) and in military evaluations. The Department is implementing Occupational Safety and Health Administration's Voluntary Protection Program (VPP) at over 80 installations and sites. This program brings together management, unions, and employees to ensure safe working conditions. VPP and our other accountability programs have the highest visibility and support within the Department.

We also believe that the use of technologies to address many safety issues has a demonstrated cost benefit. Safety technologies include systems and processes. For example, we are pursuing the Military Flight Operations Quality Assurance process to reduce aircraft flight mishaps. We are exploring the use of data recorders and roll-over warning systems as tools to help drivers avoid wheeled vehicle accidents. Our plan is for DOD components to include these and other appropriate safety technologies as a standard requirement in all future acquisition programs.

Range Sustainment

Continued and assured access to high-quality test and training ranges and operating areas plays a critically important role in sustaining force readiness. The ability to test and train effectively under realistic conditions, and to adapt our training to meet real-world contingencies, are fundamental requirements. Training transformation calls for significant advancements in the joint nature of training and a major change in the way we use our existing training infrastructure.

Ongoing reassignments based on the recent Base Realignment and Closure (BRAC) round, the return of forces to the U.S. from Europe and Korea, and anticipated increases in Army and Marine Corps total force end strength all point to growing demands on testing and training assets. Joint mission requirements also add to training complexity. However, the supply of land, air, and sea space and frequency spectrum we use to test and train effectively is not unlimited, and many other interests compete for use of these national resources. The confluence of these competing trends makes it clear that encroachment remains a powerful challenge to military readiness, and requires a comprehensive and continuing response.

The DOD has mobilized to counter encroachment. Through the DOD Range Sustainment Integrated Product Team, the Department seeks to mitigate encroachment's impacts and to ensure the long-term sustainability of military readiness and the resources entrusted to our care. Congressional action on a number of DOD legislative provisions has provided increased mission flexibility, and at the same time has enabled improved environment management on our test and training ranges. The Department is now actively focusing beyond its fence lines to engage with local, State, regional, and national stakeholders in order to address concerns and build effective partnerships that advance range sustainment.

As we move forward, we are emphasizing cooperative approaches to sustainment, such as the acquisition of buffers (lands and easements) from willing sellers around our ranges, conservation partnering with nongovernmental organizations, increased interagency and multi-state coordination on cooperative Federal land use, improved sustainment policy and planning for overseas training with our allies, and more integrated development of information and decisionmaking tools for range management. These initiatives clearly build on our past efforts, and will emplace enabling capabilities, tools, and processes to support range sustainment goals well into the future.

FOREIGN LANGUAGE INITIATIVES

Foreign Language and Regional Expertise Capabilities

To win the long war the Department must embrace and institutionalize foreign language and regional expertise into DOD doctrine, planning, contingencies, organizational structure, and training, as the QDR directs. The Defense Language Transformation Roadmap provides broad goals that will ensure a strong foundation in language and cultural expertise, a capacity to surge, and a cadre of language professionals. We are taking deliberate steps to incorporate language and regional expertise as core competencies into the Total Force. Policies, practices and funding will ensure a base of officers possessing skills in strategic languages, such as Arabic, Chinese, Persian/Farsi, and Urdu.

Fiscal Year 2007 Current Capabilities

Through guidance in the Roadmap, we are close to completing self-reported screening of military personnel. The Department learned that it had a significant in-house capability not apparent to our management systems. Even though our assessment is not yet complete, as of the beginning of 2007, the Department had 140,653 Active component; 76,843 Reserve component; and 24,193 civilian members of the Total Force who professed foreign language skills. Of those 8,630 are Arabic speakers, 6,929 are Chinese speakers and 7,282 are Korean speakers. Until we undertook this assessment, the Department did not have any way to identify this capability.

The Defense Language Institute Foreign Language Center (DLIFLC) currently enrolls 4,000 students a year in 24 language programs. DLIFLC's budget climbed from $77 million in fiscal year 2001 to $203 million in fiscal year 2007. One of the major DLIFLC programs, launched in fiscal year 2006, is the Proficiency Enhancement Program (PEP). PEP changed the basic foreign language course by reducing the student to instructor ratio, increasing the number of classrooms, creating improved and expanded curricula, and expanding overseas immersion opportunities. PEP is designed to graduate students at increased proficiency levels.

Since 2001, the DLIFLC dispatched 300 Mobile Training Teams to provide targeted training to more than 32,000 personnel. Deployed and deploying units received over 200,000 Language Survival Kits (mostly Iraqi, Dari, and Pashto). Field support modules outlining the geo-political situation, cultural facts, and fundamental language skills, key phrases and commands are available for 21 countries on the DLIFLC Web site. There are 127 online basic and specialized language survival courses. Computer-based sustainment training is available as well via the Global Language Online Support System (gloss.lingnet.org) which supports 12 lan-

guages and 6 more language sustainment courses are available on the DLIFLC LingNet Web site (www.lingnet.org).

Quadrennial Defense Review

The QDR provides approximately $430 million through the Future Years Defense Program for initiatives to strengthen and expand our Defense Language Program. These initiatives include technology, training and education, and recruitment. The QDR targets officer candidates for foreign language training, with regional and cultural training to be embedded in follow-on professional military education. It funds the enhancement of the three Service Academies' language training of cadets and midshipmen in the strategic languages; grants to colleges and universities with Reserve Officers' Training Corps (ROTC) programs to incentivize teaching of languages of strategic interest to the Department; increased grants to expand the National Security Education Program, which provides civilians scholarships and fellowships to undergraduate and graduate students in critical languages to national security; and expansion and continuation of the Army's successful 09L Interpreter/Translator recruiting program. The QDR also directed funding for the development of a pilot Civilian Linguist Reserve Corps, now renamed The Language Corps; increased foreign language proficiency pay based on language in the NDAAs for Fiscal Year 2005 and Fiscal Year 2006; enhanced technology at the DLIFLC; and centralized accession screening to identify personnel with language aptitude.

Pre-accession Language Programs

Pre-accession language training will focus the Department's effort on building language skills in future officers prior to commissioning. The three Service Academies expanded study abroad, summer immersion and foreign academy exchange opportunities; and added instructor staff for strategic languages. The United States Military Academy and the United States Air Force Academy now require all cadets to complete two semesters of language study; the United States Naval Academy requires its nontechnical degree-seeking midshipmen to take four semesters of language study. The United States Military Academy and the United States Air Force Academy also established two new language majors of strategic interest in Arabic and Chinese. The United States Naval Academy, for the first time in history, will offer midshipmen the opportunity to major in a foreign language. In fiscal year 2007, Service Academies received $25.57 million to develop and implement their language programs, including curriculum development and hiring of staff and faculty to teach more strategic languages.

The academies are aggressively pursuing increased opportunities for their cadets and midshipmen to study abroad and currently have programs available in 40 countries. Four-week summer language immersion programs are offered as well as semester exchanges with foreign military academies. This program has also expanded to semester abroad study programs at foreign universities. The NDAA for Fiscal Year 2007 allows the Academies to expand foreign academy exchanges from 24 exchanges to 100 exchanges per academy per year, and this congressional support is greatly appreciated.

ROTC cadets and midshipmen also have expanded opportunities to learn a foreign language. The Air Force and Navy often have ROTC students participating along with their academy counterparts during familiarization and orientation travel opportunities.

Of the 1,321 colleges and universities with ROTC programs, 1,148 offer languages. Significantly, many of the languages we need for current operations are not widely offered at this time. We are beginning a pilot program to provide grants to select colleges and universities with ROTC programs to incentivize them to offer foreign language courses in languages of strategic interest to the Department and the National security community. Increasing the number of less commonly taught languages in college curricula remains a challenge in which our Senior Language Authority is actively engaged.

Army Interpreter/Translator (09L)

The Army's 09L Interpreter/Translator program is a true success story. The program started as a pilot but was so successful in generating over 500 Arabic and Afghani speaking United States soldiers that the Army made it permanent. In 2006, the Army formally established the 09L Interpreter/Translator as a military occupational specialty that will have a career path from recruit through sergeant major. More than 317 heritage speakers have successfully graduated and deployed; an additional 175 personnel are in the training pipeline. The Army continues to expand and develop the program in response to the positive feedback from the commanders in the field. The QDR provides $50 million over a 5-year period, from fiscal year 2007 to fiscal year 2011, to further expand this program.

Foreign Area Officers

The Department has spent a great deal of effort in managing its regional expert cadre—the Foreign Area Officers. DOD Directive 1315.17, Foreign Area Officer (FAO) Programs, updated in April 2005, established a common set of standards for FAOs. Most important, the new policies require all of the Services to establish FAO programs that both meet the unique demands of the Services and adhere to a common, joint set of standards to support joint operations. FAOs shall be commissioned officers with a broad range of military skills and experiences; have knowledge of political-military affairs; have familiarity with the political, cultural, sociological, economic, and geographical factors of the countries and regions in which they are stationed; and have professional proficiency in one or more of the dominant languages in their regions of expertise. In fiscal year 2007, over 150 new Foreign Area Officers are scheduled to be developed and in the next 5 years over 800 new FAOs will meet a common set of training guidelines, developmental experiences, and language and regional expertise standards.

Bonus Pay

In order to encourage servicemembers to identify, improve, and sustain language capability we implemented a new Foreign Language Proficiency Bonus (FLPB) policy, and, with the support of Congress, increased the proficiency bonus from $300 maximum per month, up to $1,000 maximum per month for uniformed members. We are currently completing the DOD Foreign Language Proficiency Bonus policy to align payment for Reserve and Active components by increasing Reserve proficiency pay ceiling from $6,000 to $12,000, consistent with section 639 of the NDAA for Fiscal Year 2006. The maximum FLPB rate increased from $150 to $500 per pay period for eligible DOD civilian employees performing intelligence duties. DOD policy allows payments of up to 5 percent of a civilian employee's salary for those civilians who are assigned to nonintelligence duties requiring proficiency and who are certified as proficient in languages identified as necessary to meet national security interests.

National Security Language Initiative

At the national level, we were proud to be part of the team for the President's announcement of the National Security Language Initiative (NSLI). The NSLI has three broad goals: expand the number of Americans mastering critical languages at a younger age, increase the number of advance-level speakers of foreign languages, and increase the number of foreign language teachers and their resources. The DOD will support NSLI through our National Security Education Program by adding fellowships to increase the number of graduates with proficiency in Arabic, Chinese, Persian, Hindi and central Asian languages. The National Flagship Language Initiative (NFLI) serves as an example of how NSLI links Federal programs and resources across agencies to enhance the scope of the Federal Government's efforts in foreign language education. For example, the NFLI is leading the way in developing model kindergarten-through-college (K–16) program that creates a language pipeline for students to achieve higher levels of language proficiency in our education system. We launched a Chinese K–16 pipeline with the University of Oregon/Portland Public Schools in September, 2005. We have also awarded a grant to Ohio State University to implement a State-wide system of Chinese K–16 programs. Finally, we awarded a grant to Michigan State University to develop an Arabic K–16 pipeline project with the Dearborn, Michigan, school district.

We are also implementing The Language Corps, which will organize a cadre of individuals with high levels of language proficiency in less commonly taught languages, who agree to be available when needed by the Nation. A 3-year pilot has been initiated with a major marketing and recruitment plan as we seek to meet our goal of 1,000 Language Corps members.

THE DEFENSE HUMAN CAPITAL STRATEGY

Pursuant to the recommendations in QDR 2006, the USD(P&R) appointed a Program Executive Officer for the Human Capital Strategy (PEO/DHCS) in June 2006. The PEO/DHCS is responsible for developing strategies for how to manage the entire workforce (Active and Reserve military, civilian, and contractor) of the DOD for the long term. This governing structure begins with an Overarching Integrated Product Team (OIPT), works through the Defense Human Resources Board (DHRB), and reports to the Deputy's Advisory Working Group (DAWG). The USD(P&R) chairs the OIPT; membership includes others from within P&R, Military Department Assistant Secretaries for Manpower and Reserve Affairs, as well as the J–1 from the Joint Staff.

The most essential element of all human capital strategies is inventory management. Effective inventory management requires several critical steps:

- Determination of the desired age/skill/experience mix (career structure) that is most conducive to performing the organization's tasks now and in the future;
- Appropriate Force Generation to attract the right personnel to execute the organization's strategies;
- Executing Force Development with a functioning education strategy that combines education, formal training, and on-the-job learning, with the right instructors, trainers, and mentors;
- Effective Force Management with fair and workable sorting tools that allow for the identification and proactive management of the three most important components of the workforce: the main body of future workers who will carry most of the responsibility for producing the essential services of the organization; that group of lower performers who will not meet the organization's standards but which must be selected out at the earliest possible point in their careers; and that essential minority which shows potential for senior leadership and which must be selected and groomed through special career management and training;
- Career paths and promotion systems that are fair and balanced while also allowing the critical sorting functions to be properly incentivized and performed on a timely basis;
- A compensation and benefit structure that allows the organization to attract and retain a critical mass of productive personnel in a cost-effective manner, which means being responsive to the demands and desires of the workforce;
- A retirement package that aligns incentives for individuals with outcomes that are most cost-efficient and strategically effective for the organization while being compatible with the known preferences of the workforce;
- The ability to shape the workforce rapidly and flexibly when demands for the organization's services are variable, either due to short term exigencies or longer term structural changes in demand, organizational strategies, technologies, workforce's preferences, or competitive pressures in the labor market.

DOD's workforce is quite complex, consisting of several complementary and sometimes overlapping elements. Active duty military must work with Reserve component military, and with civilians and contractors.

On the active duty side, experience has shown that the tools we have to shape the force through recruiting, training, assignments, promotions, compensation, benefits, and retirement are all adequate in a steady-state, peace-time setting. However, it is a management system with limited flexibility, built on notions of perceived fairness and equity, that is not readily adaptable to the realities of military inventory requirements: the system is very cumbersome when we must grow or decrease total authorizations in any significant numbers, and the force needs to be made more robust and cost effective in meeting short-term contingency demands that are likely to continue during the present long war. For the future, changing and variable demands will continue, and technological changes, along with severe pressure from an ever more competitive labor market, will require imaginative rethinking and restructuring of many military occupations.

This future will demand careers of different lengths, different career patterns, different grade structures, different training strategies—and therefore considerably more flexibility across Services and occupations in how to apply and use force shaping tools to construct effective and cost-efficient Active duty forces that attract and retain the best qualified personnel. Similar changes will be required on the Reserve side.

For DOD civilians, the NSPS allows managers to take constructive steps to match the workforce to the demands of the workplace. Equally important, we must develop methods for selecting and grooming young civilians for future senior leadership positions. DOD needs to design attractive career paths that allow personnel to plan their futures better, and not just think of a career as a succession of different jobs that happen to become available at random intervals—as is presently the case for many civilian workers.

THE DOD CIVILIAN FORCE

Human Capital Planning

DOD civilian employees have supported the global war on terror here and on the front-line of battle and helped build democracies in Afghanistan and Iraq. They are

a critical component as DOD works with the Department of State to place expanded Provincial Reconstruction Teams in Iraq. Just as agile military forces are needed to meet a mission characterized by irregular, catastrophic and disruptive challenges, the Department needs agile and decisive support from our DOD civilians. It is only through the integration of DOD civilian employees that we can realize the potential of a Total Force. At the same time, it is important to ensure that benefits remain balanced and commensurate with the commitments we are requesting our DOD civilians to make.

The Department civilian strategic human capital planning focuses human capital investments on long-term issues. Guiding principles are continually reviewed and refreshed in the Department's Human Capital Strategic Plan (HCSP). Our 2006–2011 HCSP recognizes the need to refocus civilian force capabilities for the future—a civilian workforce with the attributes and capabilities to perform in an environment of uncertainty and surprise, execute with a wartime sense of urgency, create tailored solutions to multiple complex challenges, build partnerships, shape choices, and plan rapidly.

Our HCSP is based upon the 2006 QDR. As noted earlier, the QDR calls for an updated, integrated human capital strategy for the development of talent that is more consistent with 21st century demands. As a human capital strategy, it aims to ensure DOD has the right people, doing the right jobs, at the right time and place, and at the best value. The HCSP is delineated by a DOD-wide set of human resources goals and objectives that focus on leadership and knowledge management, workforce capabilities, and a mission-focused, results-oriented, high-performing, diverse workforce. These goals and objectives incorporate a competency-based occupational system, a performance-based management system, and enhanced opportunities for personal and professional growth.

The NSPS provides the mechanism for implementation. This modern, flexible human resources management system improves the way DOD hires, compensates, and rewards its civilian employees, while preserving employee protections and benefits, veterans' preference, as well as the enduring core values of the civil service. NSPS provides a performance management system that aligns performance objectives with DOD's mission and strategic goals.

In April 2006, the Department began implementing the human resources provisions of NSPS and converted approximately 11,000 non-bargaining unit employees to the new system, followed by 66,000 in October 2006 through February 2007. This spring, an additional 35,500 will transition to NSPS, for a total of approximately 113,000 employees functioning in this results-oriented, performance-based system. The Department placed great emphasis on communication and training—both were critical to our transition plan. We wanted to ensure employees and supervisors were fully informed and ready. As of February 2007, more than a half million instances of training have occurred on the functional elements of NSPS, performance management, as well as behavioral skills necessary for an effective transition.

The initial 11,000 employees recently completed the first appraisal cycle under the performance management system. As a result of feedback we received from our workforce throughout the first cycle, we are already making some adjustments. For instance, both supervisors and employees expressed the need for additional training on writing job objectives and self assessments. As a result, we expanded our training in both of these areas to facilitate these important aspects of the performance management system. To complement the immediate feedback we received, we are developing a comprehensive plan for assessment and longer term evaluation of the system.

While a lawsuit filed by some unions resulted in the labor relations, adverse actions, and appeals provisions being enjoined, the Department moved forward with implementing those elements of the human resources management system that were not enjoined (classification, compensation, performance management, staffing, and workforce shaping provisions). The Department elected to implement these provisions to nonbargaining unit employees until the litigation concerning the other parts of NSPS is resolved. We expect a decision on the appeal in early 2007.

We will continue to use a spiral approach to incrementally phase-in the rest of the eligible DOD workforce over the subsequent 2 to 3 years, upgrading and improving NSPS as we go forward. We are currently in the early stages of designing NSPS for our blue collar workforce and met with our unions to seek their input into the design. We will continue to collaborate with the unions as we move forward with NSPS design and implementation.

Acquiring, Developing, and Retaining Civilians

The Department's civilian workforce supports DOD's national security and military missions. Technological advances, contract oversight, and complex missions

have generated the need for more employees with advanced education and more sophisticated technical skills. Additionally, there must be a very active campaign to recruit, train, and develop a diverse workforce. We take seriously the responsibility to foster and promote an environment that is attractive to individuals from all segments of society.

In 2005, the Department launched the Hiring Heroes campaign to reach out to the injured and disabled men and women who fought and served on behalf of our Nation. The Department offers over 700 diverse, challenging, and rewarding occupations for those veterans who want to continue to serve their country as DOD civilian employees. The Department is committed to providing disabled veterans who want to serve our country as a DOD or Federal civil servants the opportunity to do so. The Hiring Heroes campaign demonstrates this commitment. The Department has hosted eight Hiring Heroes career fairs at various major medical facilities, including Walter Reed and Brooke Army Medicals Centers, with over 1,600 servicemembers and their spouses in attendance. Six additional events are planned for 2007. We also maintain the Defense Web site specifically designed for our disabled veterans—www.DODVETS.com. This web portal serves as a resource of employment information for veterans, their spouses, and managers. Through our efforts, many servicemembers have been offered positions at various DOD and Federal agencies, but more important, they have been exposed to a network of both DOD and Federal recruiters dedicated to helping them transition back to productive employment where and when they are ready. We continue work with other Federal agencies, including the Department of Veterans Affairs (VA) and the DOL, to provide job training, counseling, and reemployment services to seriously injured or wounded veterans.

We have dedicated an office within the Department to help us transform the way we attract and hire talented civilian employees. Under its lead, we have developed a comprehensive outreach program with colleges, universities and professional and heritage associations; reenergized our branding and marketing materials; and revamped our Web site to align with the interests of those whom we are trying to attract. Our nationwide recruitment campaign takes us to college and university campuses where we personally invite talented individuals to serve the Department. Since the fourth quarter of fiscal year 2006 through the end of February 2007, our DOD recruiters made 31 recruitment visits. An additional 26 visits are planned through fiscal year 2007, budget permitting. In one of these visits alone, the Department made 60 job offers to engineering students, primarily of Hispanic origin. Efforts such as these will help ensure the Department has the diverse, talented workforce it needs to meet the challenges of the 21st century.

The Department launched another innovative program in fiscal year 2007, known as the DOD Student Training Academic Recruitment program. Under this program, DOD hired two honors level students, located at the University of Puerto Rico Mayaguez and at Michigan Tech University. The students are responsible for developing and executing a marketing plan, through which students with DOD mission critical skills are made aware of and are encouraged to consider employment with the Department. We continue to leverage technology including, importantly, the Internet, to educate and interest talent from a variety of sources. We have recently updated our Web site with vignettes of current Department employees, who discuss their work and the satisfaction they realize from it, as well as the benefits of working for the Department. We believe these testimonials will further our efforts to have the Department viewed as an "Employer of Choice".

Under the Office of Personnel Management's new "Career Patterns" initiative, the Department has begun a comprehensive analysis of our workforce to identify the recruitment strategies that will enable the Department to recruit and retain the talent we need for the 21st century. Focusing first on our mission critical occupations, we are analyzing the occupational demographics and are developing recruitment, compensation and work life initiatives, which address the many dimensions of our applicant candidate pool. In direct support of this initiative, the Department has established policies on proficiency pay for positions requiring language, on new approaches to telework, and on new appointing authorities for scientists and mathematicians.

As the Chair of the Federal Chief Human Capital Officer's Subcommittee for Hiring and Succession Planning, the USD(P&R) personally works with a number of other Federal agencies and the Office of Personnel Management to streamline and improve the Federal hiring process. The subcommittee has made a number of recommendations, the benefits of which we hope to see over the next several years.

Workforce planning takes on a special importance with the expected exodus of Federal employees over the next decade. Significant to this equation are DOD career Senior Executive Service (SES) members, 67 percent of whom are eligible to retire in 2008. Recently, P&R hosted a DOD Diversity Summit for key public and private

sector personnel to discuss possible barriers to diversity in DOD executive development processes and to identify successful practices in other organizations that may have transferability to DOD. We also continue to conduct outreach programs in various parts of the country in an effort to inform students about our career opportunities and to encourage them to enter academic programs that will help prepare them for such careers.

Our HCSP ensures the continuity of world class, civilian leaders who are fully capable of leading DOD's efforts within a larger national security context. To meet this goal, the Department launched an initiative aimed at the deliberate identification, development, management, and sustainment of senior executive leadership for the Department's 21st century requirements. This effort will expand the current, enduring executive leadership competencies to include knowledge of joint matters and building an enterprise-wide perspective acquired through a portfolio of diverse experiences. The definition of "joint matters" expands beyond that prescribed in Goldwater-Nichols Act to recognize the realities of today's multinational and interagency operating environment. Further, cultural awareness and regional expertise are part of the required core competencies. In the conflicts and wars faced by the Department, cultural awareness, language and regional expertise become key skills needed by every leader.

To build a qualified and talented pipeline to sustain leadership continuity, the HCSP provides for the identification and closing of leadership competency gaps and strengthening of the talent pipeline to ensure continuity of diverse and capable leaders. To ensure the deliberate development of our current and future leaders, we are instituting a new joint civilian leader development system that will have at its core a future-focused framework of competencies based on the Office of Personnel Management Executive Core Qualifications, but strengthened with the DOD-unique requirements that will enable the Department to accomplish its national security mission in today's complex environment and beyond.

Our DOD joint civilian leader development framework is being designed to produce world-class leaders with an Enterprise-wide perspective for leadership positions across the continuum from entry to executive level. Building upon existing programs, the framework ultimately will include a series of DOD-sponsored courses, programs and other learning opportunities, designed to meet the specific competency requirements of the civilian Defense leader. These opportunities will serve as retention incentives for high performing DOD employees and will also support DOD initiatives to increase diversity in the senior ranks.

The Defense Leadership and Management Program (DLAMP) will be a key building block of the new leader development framework. Through a comprehensive program of Professional Military Education, formal graduate education, and courses in national security strategy and leadership, DLAMP ensures that the next generation of civilian leaders has the critical skills to provide strong leadership in a joint interagency and multinational environment. In the last few years, DLAMP has produced a pool of 435 individuals who have met program goals, thus creating a pipeline of well-qualified senior leaders for tomorrow's challenges.

All existing leader development programs, including DLAMP, are currently under review to ensure alignment with the new competency-based framework and related initiatives that are under way strengthen the SES corps. Following implementation of program changes planned for fiscal year 2008, DLAMP will be renamed and its successor will become the senior-level program of the new joint leader development framework. We are confident that ensuring alignment of our programs with the DOD-wide competency model and best practices in private and public sector leader development will further position us for strong civilian leadership in the decades ahead.

The Department recently reviewed the foreign national (FN) human resources program, which covers over 70,000 workers in some 22 countries to ensure alignment with the Department's 21st century requirements. The Department employs the FN workforce under various laws, treaties, and international agreements, host nation labor policies and labor union contracts. The current FN human resources policies have evolved over many decades. It has been over 20 years since there was a comprehensive review of the FN human resources program. To launch the review, the Department hosted a worldwide conference of U.S. and FN human resources personnel. They offered enlightened thinking and a set of recommendations to help refine the current FN human resources program. The Department is considering these recommendations.

The Department also has been engaged in establishing Status of Forces Agreements (SOFAs) with new NATO partners, such as Romania, Poland, Bulgaria, and the Czech Republic. As part of these SOFAs, the Department has developed a new

framework for FN employment which will ensure a ready, capable and agile FN workforce.

The Department has established and fully implemented the Pipeline Reemployment Program. The program enables partially recovered employees with job related injuries and illnesses to return to work. The program supports the President's Safety, Health, and Return-to-Employment (SHARE) initiatives by assisting each Department installation in reducing lost days resulting from injuries. DOD organizations will have resources and funding to reemploy partially recovered injured employees for up to 1 year. Returning injured employees to suitable productive duty, as soon as they are able, improves that employee's sense of value to the organization while minimizing the cost of workers' compensation disability payments. To date, the Pipeline program has returned 400 employees to productive positions, and saved the Department approximately $364 million in lifetime cost charges.

Civilian Force Shaping

A number of initiatives influence the size and shape of the Department's civilian workforce. The most significant are upcoming BRAC actions, global repositioning of deployed military and civilians, competitive sourcing, and military-to-civilian conversions. The DOD is committed to providing comprehensive transition tools and programs to assist our valued employees and their families as these force shaping initiatives are implemented.

Since the first BRAC round in 1988, the Department has reduced the civilian workforce by more than 400,000, with less than 10 percent of that number involuntarily separated. To mitigate the impact of these force shaping initiatives on our civilians, the Department has aggressively sought and obtained authority for several essential transition tools assuring that drawdowns or reorganizations are handled in the most efficient and humane manner possible, while ensuring we have the talent needed to effectively continue Department operations. Employees adversely affected by BRAC may be offered the opportunity to separate voluntarily under the Voluntary Early Retirement Authority or the Voluntary Separation Incentive Payment program, or both. Involuntarily separated employees are also eligible for a number of post-separation benefits and entitlements, including: temporary continuation of health insurance for 18 months, with the Department paying the employer portion of the premium; severance pay, with a lump-sum payment option; and, unemployment compensation.

The Department will continue to seek regulatory and legislative changes to assist employees affected by these actions in transitioning to other positions, careers, or to private employment. We are continuing to establish and foster employment partnerships with Federal agencies, State, county and local governments, trade and professional organizations, local Chambers of Commerce, and private industry. For example, DOD is partnering with the DOL to provide BRAC installations outplacement assistance under their Workforce Investment System (WIS). The WIS consists of over 3,000 State One-Stop Career Centers prepared to offer assistance such as retraining, career counseling, testing, and job placement assistance.

Emergency Planning

We have taken great strides this past year to ensure we have plans in place to continue our operations and safeguard our employees in times of crisis. Significant planning has gone into Pandemic Influenza preparedness. We have developed a human resources practitioner guide for use by managers and human resource practitioners in planning for, and executing actions during emergencies, which include nuclear, chemical and biological attacks, natural disasters, as well as a resources practitioner guide for use during a pandemic crisis. We have supported this guide with exercise criteria to assess our plans and refine them as needed. We plan to have a series of exercises over the course of the next year to ensure we are prepared should an emergency occur, particularly a pandemic.

As the Chair of the Federal CHCO Emergency Preparedness Subcommittee, the USD(P&R) is able to leverage the expertise and best practices of other Federal Agencies and influence the Office of Personnel Management to ensure new policies will meet the Department's needs.

THE MILITARY HEALTH SYSTEM

Sustaining the Military Health Benefit

The Department is firmly committed to protecting the health of our servicemembers and to providing world-class healthcare to its more than 9 million beneficiaries.

The fiscal year 2008 Defense Health Program funding request is $20.7 billion for Operation and Maintenance, Procurement and Research, and Development, Test

and Evaluation Appropriations to finance the Military Health System (MHS) mission. We project total military health expenditures, including personnel expenses, to be $40.5 billion for fiscal year 2008. This includes payment of $10.9 billion to the DOD Medicare Eligible Retiree Healthcare Fund.

The Department is challenged by the growing costs of the MHS. We need important changes in our well-regarded health benefit program, TRICARE, to sustain a superior benefit for the long term. We need the help and support of Congress to achieve this goal. Our fiscal year 2008 budget request assumes savings of $1.9 billion from reform proposals (as projected last year for fiscal year 2008); we await the interim report of the DOD Task Force on the Future of Military Healthcare as a basis for dialogue with Congress on how these should be shaped.

As the civil and military leaders of the Department have testified, we must place the health benefit program on a sound fiscal foundation or face adverse consequences. Costs have more than doubled in 6 years—from $19 billion in fiscal year 2001 to $39 billion in fiscal year 2007—despite MHS management actions to make the system more efficient. Our analysts project this program will cost taxpayers at least $64 billion by 2015. Healthcare costs will continue to consume a growing slice of the Department's budget, reaching 12 percent of the budget by 2015 (versus 4.5 percent in 1990).

Over the last 13 years, the TRICARE benefit was enhanced through reductions in co-pays, expansions in covered services (particularly for Medicare-eligible beneficiaries), new benefits for the Reserve component, and other additions, but the premiums paid by beneficiaries have not changed. The benefit enhancements have come at a time when private-sector employers are shifting substantially more costs to employees for their healthcare.

The twin effect of greater benefits for DOD beneficiaries at no change in premiums, coupled with reduced benefits for military retirees employed in second careers in the private sector, has led to a significant increase in military retirees electing to drop their private health insurance and become entirely reliant on TRICARE for their health benefit. Some employers actively encourage this shift through incentives to their employees.

Management

The Department has initiated several management actions to use resources more effectively and help control the increasing costs of health care delivery. The MHS continues to implement a prospective-payment system in a phased, manageable way which provides incentive for local commanders to focus on outputs, rather than on historical budgeting. We are confident this budgeting approach will ensure our hospitals and clinics remain high-quality, highly efficient medical institutions in service to our patients.

In addition, the MHS has recently composed a new strategic plan for the future. Through this plan, the MHS is strengthening its commitment to military medical forces, to our warfighters, and to our Nation's security. The MHS strategic plan takes important steps toward consolidating administrative and management functions across the MHS, and it will strengthen joint decisionmaking authorities.

With implementation of the BRAC recommendations, the major medical centers in San Antonio and the national capital area will be consolidated. These BRAC actions provide us the opportunity to provide world-class medical facilities for the future while streamlining our health care system and creating a culture of best practices across the Services.

Under the BRAC recommendations, we are also developing a medical education and training campus (METC) that will colocate medical basic and specialty enlisted training at Fort Sam Houston, Texas. By bringing most medical enlisted training programs to Fort Sam Houston, we will reduce the overall technical-training infrastructure while strengthening the consistency and quality of training across the Services.

In the meantime, we are doing everything we can to control our cost growth. We are executing our new TRICARE regional contracts more efficiently, and we are demanding greater efficiency within our own medical facilities. However, one area—pharmacy—is particularly noteworthy. Nearly 6.7 million beneficiaries use our pharmacy benefit, and in fiscal year 2006, our total pharmacy cost was more than $6 billion. If we did nothing to control our pharmacy cost growth, we project pharmacy costs alone would reach $15 billion by 2015.

To address this issue we are taking every action for which we have authority: promoting our mandatory generic substitution policy; joint contracting with VA; launching a home-delivery promotion campaign; and making voluntary agreements with pharmaceutical manufacturers to lower costs.

These efforts are working. But recent legislation passed by Congress and other regulations limit our ability to control costs in the fastest growing area of pharmacy—the retail sector. In the retail venue, our top 50 brand-name medications cost twice as much as the same drug dispensed through our military treatment facility or home-delivery venues.

You can help us by allowing DOD to make appropriate changes in the structure of our pharmacy benefit. These changes will accelerate use of our new home-delivery program, enhance the use of generics, and give us greater leverage when negotiating with pharmaceutical manufacturers.

Another area in which we need your assistance is restoring the flexibility to manage Defense Health Program resources across budget activity groups. Our new healthcare contracts use best-practice principles to improve beneficiary satisfaction, support our military treatment facilities, strengthen relationships with network providers, and control private-sector costs.

Our civilian partners must manage their enrollee healthcare and may control their and the system's costs by referring more care to our military treatment facilities in the direct-care system. As noted earlier, we have implemented a prospective-payment system that creates the financial incentive for our military treatment facilities to increase productivity and reduce overall costs to the Department.

Funds must flow freely between the military treatment facilities and the private sector, based on where care is actually delivered. Capping Defense Health Program private-sector-care funds inhibits the Department's ability to provide the TRICARE benefit in the most accessible, cost-effective setting.

Armed Forces Health Longitudinal Technology Application (AHLTA)—DOD's comprehensive, global electronic health record and clinical data repository—significantly enhances MHS efforts to build healthy communities. AHLTA constructs a life-long, computer-based patient record for each and every military health beneficiary, regardless of their location, and provides seamless visibility of health information across the entire continuum of medical care. This gives providers unprecedented access to critical health information whenever and wherever care is provided to our servicemembers and beneficiaries. In addition, AHLTA offers clinical reminders for preventive care and clinical-practice guidelines for those with chronic conditions.

In November 2006, the MHS successfully completed worldwide deployment of AHLTA, which began in January 2004, at all 138 DOD military treatment facilities. Additional components to AHLTA are yet to be unveiled, including a new inpatient module. To enhance continuity of care and save the taxpayers money, DOD and the VA will collaborate and plan to develop a joint inpatient electronic health record system for Active duty military personnel and veterans. A requirements study is presently underway.

We are working with industry experts to design and develop the government requirements for TRICARE's third generation of contracts (T–3). The Managed Care Support Contracts are TRICARE's largest and most complex purchased-care contracts. Others include the TRICARE Pharmacy Program (TPharm), the TRICARE Dual Eligible Fiscal Intermediary Contract (TDEFIC), the active Duty Dental Contract, the National Quality Monitoring Contract, and the TRICARE Retiree Dental Contract.

The Balanced Scorecard has guided the MHS through the strategic planning process over the last 5 years and helps the MHS manage strategy at all levels of the organization. Military treatment facilities remain at the core of the MHS, and the TRICARE structure promotes increased involvement of the military commanders in determining the optimum approach to healthcare delivery within each region. Military commanders' accountability and responsibility for patient care in their communities is centered on sound business planning and resourcing to meet their planned production.

The three TRICARE Regional Directors are actively engaged in managing and monitoring regional health care with a dedicated staff of both military and civilian personnel. They are strengthening existing partnerships between the Active Duty components and the civilian provider community to help fulfill our mission responsibilities.

Force Health Protection

Force Health Protection embraces a broad compilation of programs and systems designed to protect and preserve the health and fitness of our servicemembers—from their entrance into the military, throughout their military service to their separation or retirement, and follow-on care by the VA. Our integrated partnership for health between servicemembers, their leaders and healthcare providers ensures a fit and healthy force and that the continuum of world-class healthcare is available anytime, anywhere.

In 2006, we recorded remarkable war-wounded survival rates, the lowest death-to-wounded ratio in the history of American military operations, and the lowest disease non-battle injury rate. Our military medical personnel have performed extraordinarily on the battlefield and in our medical facilities in the United States. Our investments in people, training, technology and equipment have paid major and historic dividends. We have established new standards in virtually every major category of wartime medicine:

- Lowest Disease, Non-Battle Injury Rate. As a testament to our medical readiness and preparedness, with our preventive-medicine approaches and our occupational-health capabilities, we are successfully addressing the single largest contributor to loss of forces—disease.
- Lowest Death-to-Wounded Ratio. Our agility in reaching wounded servicemembers, and capability in treating them, has altered our perspective on what constitutes timeliness in life-saving care from the golden hour to the platinum 15 minutes. We are saving servicemembers with grievous wounds that were likely not survivable even 10 years ago.
- Reduced time to evacuation and definitive tertiary care. We now expedite the evacuation of servicemembers following forward-deployed surgery to stateside definitive care. We changed our evacuation paradigm to employ airborne intensive-care units. Wounded servicemembers often arrive back in the United States within 3–4 days of initial injury.

Our successful efforts to prevent loss of life from battle injuries have consequences. Many of our wounded servicemembers have worked heroically to regain their skills to the greatest extent possible. Of particular note, among the approximately 612 individuals who have had major limb amputations, approximately 7 percent have returned to duty.

Our most important preventive health measures in place for servicemembers today—immunization programs—offer protection from diseases endemic to certain areas of the world and from diseases that can be used as weapons. These vaccines are highly effective, and we base our programs on sound scientific information that independent experts have verified. Insect-repellant-impregnated uniforms and prophylactic medications also protect our servicemembers from endemic diseases during deployments.

Since January 2003, environmental health professionals have analyzed more than 5,000 theater air, water, and soil samples to ensure that forces are not unduly exposed to harmful substances during deployments.

We published a new DOD Instruction, "Deployment Health," in 2006. Among its many measures to enhance force health protection is a requirement for the Services to track and record daily locations of DOD personnel as they move about in theater and report data weekly to the Defense Manpower Data Center. We can use the data collected to study long-term health effects of deployments and mitigate health effects in future conflicts.

We continue to monitor the health affects of our servicemembers exposed to depleted uranium (DU) munitions. DOD policy requires urine uranium testing for those wounded by DU munitions. We also test those in, on, or near a vehicle hit by a DU round, as well as those conducting damage assessments or repairs in or around a vehicle hit by a DU round. Additionally, the policy directs testing for any servicemembers who requests it. Each servicemember returning from a deployment is asked about possible DU exposure. More than 2,215 servicemember veterans of Operation Iraqi Freedom have been tested for DU exposures. Of this group, only nine had positive tests, and these were due to fragment exposures.

Testing continues for veterans exposed to DU munitions from the 1990–1991 Persian Gulf War. Of the 74 victims of that war in a VA medical follow-up study, only a quarter of them have retained DU fragments in their bodies. To date, none have developed any uranium-related health problems. This DU follow-up program is in place today for all servicemembers with similar exposures.

Among the many performance measures the MHS tracks is the medical readiness status of individual members, both Active and Reserve. The MHS tracks individual dental health, immunizations, required laboratory tests, deployment-limiting conditions, Service-specific health assessments, and availability of required individual medical equipment. We are committed to deploying healthy and fit servicemembers and to providing consistent, careful post-deployment health evaluations with appropriate, expeditious follow-up care when needed.

Medical technology on the battlefield includes expanded implementation of the Theater Medical Information Program and Joint Medical Work Station in support of OIF. These capabilities provide a means for medical units to capture and disseminate electronically near-real-time information to commanders. Information provided

includes in theater medical data, environmental hazards, detected exposures, and such critical logistics data as blood supply, beds, and equipment availability.

With the expanded use of the Web-based Joint Patient Tracking Application, our medical providers should have total visibility into the continuum of care across the battlefield, and from theater to sustaining base. New medical devices introduced to OIF provide field medics with blood-clotting capability; light, modular diagnostic equipment improves the mobility of our medical forces; and individual protective armor serves to prevent injuries and save lives.

DOD has been performing health assessments on servicemembers prior to and just after deployment for several years now. These assessments serve as a screen to identify any potential health concerns that might warrant further medical evaluation. This includes screening the mental well-being of all soldiers, sailors, airmen, and marines in the Active Force, Reserves, and National Guard.

Servicemembers receive pre-deployment health assessments to ensure they are fit to deploy and post-deployment health assessments to identify any health issues when they return. The DOD maintains deployment health records in the individual's permanent health record and centrally archives electronic copies of the health assessment for easy retrieval. We have an aggressive quality-assurance program to monitor the conduct of these assessments.

Beginning in 2005, we added an additional health assessment, the post-deployment health reassessment, or PDHRA, which we conduct 3 to 6 months after deployment. The PDHRA is designed to identify health and adjustment concerns that servicemembers may not notice or mention immediately upon the return from deployment. For the period of June 1, 2005, to February 12, 2007, 244,933 servicemembers have completed a post-deployment health reassessment, with 27 percent of these individuals receiving at least one referral for additional evaluation.

Mental health services are available for all servicemembers and their families before, during, and after deployment. servicemembers are trained to recognize sources of stress and the symptoms of depression, including thoughts of suicide, in themselves and others, that might occur because of deployment. Combat-stress control and mental healthcare are available in theater. In addition, before returning home, we brief servicemembers on how to manage their reintegration into their families, including managing expectations, the importance of communication, and the need to control alcohol use.

During redeployment, we educate servicemembers and assess them for signs of mental health issues, including depression and Post-Traumatic Stress Disorder (PTSD), and physical health issues. During the post-deployment reassessment, we include additional education and assessment for signs of mental and physical health issues. The Services began initial implementation of this program in June 2005, and we are working toward Department-wide implementation.

After returning home, servicemembers may seek help for any mental health issues that may arise, including depression and PTSD, through the MHS for Active duty and retired servicemembers, or through the VA for non-retired veterans. TRICARE is also available for 6 months post-return for Reserve and Guard members. To facilitate access for all servicemembers and family members, especially Reserve component personnel, the Military OneSource Program—a 24/7 referral and assistance service—is available by telephone and on the Internet. In addition, we provide face-to-face counseling in the local community for all servicemembers and family members. We provide this non-medical counseling at no charge to the member, and it is completely confidential.

To supplement mental health screening and education resources, we added the Mental Health Self-Assessment Program in 2006. This program provides web-based, phone-based and in-person screening for common mental health conditions and customized referrals to appropriate local treatment resources. The program also includes parental screening instruments to assess depression and risk for self-injurious behavior in their children, along with suicide-prevention programs in DOD schools. Spanish versions of the screening tools are available, as well.

Pandemic influenza represents a new threat to national security. With our global footprint and far-reaching capabilities, we are actively engaged in the Federal interagency effort to help prevent, detect and respond to the threat of avian influenza, domestically and internationally. The President's National Strategy for Pandemic Influenza includes the DOD as an integral component in our Nation's response to this threat. One example of this integrated response is DOD's medical watchboard Web site, established in 2006, to provide ready access to pandemic influenza information for DOD servicemembers, civilians, and their families; DOD leaders; and DOD healthcare planners and providers. The DOD Watchboard is linked to PandemicFlu.gov for one-stop access to U.S. Government avian and pandemic influenza information.

Taking Proper Care of the Wounded

The Department is committed to providing the assistance and support required to meet the challenges that confront our severely injured and wounded servicemembers, and their families.

The Department is working on a number of measures to evaluate and treat servicemembers affected or possibly affected with traumatic brain injury (TBI). For example, in August 2006, we developed a clinical-practice guideline for management of mild TBI in theater for the Services. We sent detailed guidance to Army and Marine Corps line medical personnel in the field to advise them on ways to deal with TBI. The clinical-practice guideline included a standard Military Acute Concussion Evaluation form to assess and document TBI for the medical record. We are also conducting research in the inpatient medical area. Furthermore, to enhance the Periodic Health Assessment, Post-Deployment Health Assessment and Post-Deployment Health Reassessment, we directed inclusion of questions on TBI to capture data that will contribute to a better understanding of TBI identification and treatment. In addition, these questions will help identify servicemembers possibly exposed to events that caused TBI that were not documented at the time of exposure.

Each Service has programs to serve severely wounded from the war: the Army Wounded Warrior Program (AW2), the Navy SAFE HARBOR program, the Air Force Helping Airmen Recover Together (Palace HART) program, and the Marine4Life (M4L) Injured Support Program. DOD's Military Severely Injured Center augments the support provided by the Services. It reaches beyond the DOD to other agencies, to the nonprofit world and to corporate America. It serves as a fusion point for four Federal agencies—DOD, the VA, the Department of Homeland Security's Transportation Security Administration (TSA), and the DOL.

The Military Severely Injured Center unites Federal agencies through a common mission: to assist the severely injured and their families. The VA Office of Seamless Transition has a full-time liaison assigned to the center to address VA benefits issues ranging from expediting claims, facilitating VA ratings, connecting servicemembers to local VA offices, and coordinating the transition between the Military and the VA systems. The DOL has assigned three liaisons from their REALifelines program which offers personalized employment assistance to injured servicemembers to find careers in the field and geographic area of their choice. REALifelines works closely with the VA's Vocational Rehabilitation program to ensure servicemembers have the skills, training, and education required to pursue their desired career field. The Department of Homeland Security's TSA has a transportation specialist assigned to the center to facilitate travel of severely injured members and their families through our Nation's airports. The Center's TSA liaison coordinates with local airport TSA officials to ensure that each member is assisted throughout the airport and given a facilitated (or private) security screening that takes into account the member's individual injuries.

The Military Severely Injured Center has coordinated with over 40 nonprofit organizations, all of which have a mission is to assist injured servicemembers and their families. These nonprofits offer assistance in a number of areas from financial to employment to transportation to goods and services. Many are national organizations, but some are local, serving service men and women in a specific region or at a specific military treatment facility. Some of the many organizations that are providing assistance are the Wounded Warrior Project, the Injured Marine Semper Fi Fund, the VFW, the American Legion, Disabled American Veterans, the Coalition to Salute America's Heroes, and, of course, the Service Relief Societies. There are hundreds of other nonprofits who offer assistance to military families in general that are part of the America Supports You network (www.americasupportsyou.mil).

The Department continues to sponsor Operation Warfighter (OWF), a temporary assignment or internship program for servicemembers who are convalescing at military treatment facilities in the National Capital Region. This program is designed to provide recuperating servicemembers with meaningful activity outside of the hospital environment that assists in their wellness and offers a formal means of transition back to the military or civilian workforce. The program's goal is to match servicemembers with opportunities that consider their interests and utilize both their military and non-military skills, thereby creating productive assignments that are beneficial to the recuperation of the servicemember and their views of the future. Servicemembers must be medically cleared to participate in OWF, and work schedules need to be flexible and considerate of the candidate's medical appointments. Under no circumstance will any OWF assignment interfere with a servicemember's medical treatment or adversely affect the well-being and recuperation of OWF participants.

In 2006, 140 participants were successfully placed in OWF. Through this program, these servicemembers were able to build their resumes, explore employment inter-

ests, develop job skills, and gain valuable Federal Government work experience to help prepare them for the future. The 80 Federal agencies and subcomponents acting as employers in the program were able to benefit from the considerable talent and dedication of these recuperating servicemembers. Approximately 20 permanent job placements resulted from OWF assignments upon the servicemember's medical retirement and separation from military service.

The American public's strong support for our troops shows especially in their willingness to help servicemembers who are severely injured in the war and their families, as they transition from the hospital environment and return to civilian life. Heroes to Hometowns' focus is on reintegration back home, with networks established at the national and State levels to better identify the extraordinary needs of returning families before they return home. They work with local communities to coordinate government and non-government resources necessary for long-term success.

The Department has partnered with the National Guard Bureau and the American Legion, and most recently the National Association of State Directors of Veterans Affairs, to tap into their national, State, and local support systems to provide essential links to government, corporate, and nonprofit resources at all levels and to garner community support. Support has included help with paying the bills, adapting homes, finding jobs, arranging welcome home celebrations, help working through bureaucracy, holiday dinners, entertainment options, mentoring, and very importantly, hometown support.

The ability of injured servicemembers to engage in recreational activities is a very important component of recovery. We continue to work with the United States Paralympics Committee and other organizations so that our severely injured have opportunities to participate in adaptive sports programs, whether those are skiing, running, hiking, horseback riding, rafting, or kayaking. We are also mindful of the need to ensure installation Morale Welfare and Recreation (MWR) fitness and sports programs can accommodate the recreational needs of our severely injured servicemembers. At congressional request, we are studying the current capabilities of MWR programs to provide access and accommodate eligible disabled personnel.

Regarding the recent concerns about the Walter Reed Army Medical Center, the Army and the Department have taken swift action to improve existing conditions, enhance services provided at Walter Reed, and identify areas meriting further study and improvement. Army leadership initiated immediate steps to control security, improve access, and complete repairs at identified facilities and sought to hold accountable those personnel responsible to provide for the health and welfare of our Nation's heroes.

On March 1, 2007, Secretary Gates commissioned an independent review group (IRG) to evaluate and make recommendations on this matter. The IRG will conduct its work and report its findings to the Secretary of Defense by April 13, 2007. The report will include:

- An assessment of current procedures involved in the rehabilitative care, administrative processes, and quality-of-life for injured and ill members, including an analysis of what these servicemembers and their families consider essential for a high-quality experience during recovery, rehabilitation, and transition.
- Alternatives and recommendations to correct deficiencies and prevent them from occurring in the future.

The Department will be relentless in its actions—engaged, action-oriented, and focused on making measurable improvements. Goals will be clear and milestones will be established. We will regularly inform the public and the people we serve—the soldiers, the families, military leaders, Congress, the Secretary, and the President—on our progress.

There are a number of disturbing elements to the conditions at Walter Reed, yet we are confident that each of these items is fixable with sustained leadership and oversight. The Department, with the assistance of the Secretary's independent review group, will come forward with revised approaches to addressing the more complex personnel and medical issues. The problems before us can be categorized and assessed as follows:

Physical Facility Issues

In the case of substandard housing, the Army has been able to quickly implement a corrective action plan. Some of those actions have already occurred with facility repair and improvements. Clearly, other facility improvements may require more comprehensive repairs that may take longer. We are confident the Army is taking steps to ensure that any needed improvements will be made.

Process of Disability Determinations

The critical first step in assessing this process will be to identify the desired outcome. Both servicemembers and the Department have expectations, including: full rehabilitation of the servicemember to the greatest degree medically possible; a fair and consistent adjudication of disability; and, a timely adjudication of disability requests—neither hurried nor slowed due to bureaucratic processes.

The fundamental problems did not result from a lack of available resources. The main effort here must be focused on the processes being analyzed and assessed for their value and alternatives. The processes must be redrawn with the outcomes we have in mind, with as much simplicity and timeliness as possible. We are working hard to implement solutions to issues identified in the March 2006 Government Accountability Office Report 06–362. Most important, we have set forth a process for updating DOD directives/instructions that promulgate disability policies. We will publish a draft revised Disability Evaluation System overarching policy before the end of April.

Process of Care Coordination

Again, the quality of medical care delivered to our servicemembers is exceptional. Independent review supports this assertion. Yet, the process of coordinating delivery of services for members in long-term outpatient, residential rehabilitation needs attention. The Army will assess, and we will review, the proper ratio of case-managers-to-wounded servicemembers. We will also assess the administrative and information systems in place to properly manage workload in support of the soldiers.

The planned consolidation of health services and facilities in the National Capital Region will enable the Department to best address the changing nature of inpatient and outpatient healthcare requirements, specifically the unique health needs of our wounded servicemembers and the needs of our population in this community. The BRAC decision also preserves a precious national asset by sustaining a high-quality, world-class military treatment facility with a robust graduate medical education program in the Nation's Capital. The plan is to open this facility by 2011. In the interim, we will not deprive Walter Reed of resources to function as the premier medical center it is. In fact, in 2005 we funded $10 million in capital improvements at Walter Reed's Amputee Center—recognizing the immediate needs of our warrior population. We are proud of that investment in capacity and technology. We simply will not allow the plans for a new medical center to interfere with the ongoing facility improvements needed in the current hospital.

In the current spate of news reports on Walter Reed, the trust that we have earned through our many medical achievements has been damaged. Everyone's efforts will be focused on repairing and re-earning that trust. Our civilian and military leaders have remained steadfast in both their support of what we have accomplished, and their belief that these matters can be fixed. U.S. military medicine and our medical personnel are a national asset, representing a readiness capability that does not exist anywhere else, and—if allowed to dwindle—could not be easily reconstituted. We must preserve this asset.

DOD–DVA Sharing

DOD works closely with the VA at many organizational levels to maintain and foster a collaborative Federal partnership. We have shared healthcare resources successfully with the VA for 20 years, but many opportunities for improvement remain. Early in this administration we formed the DOD–VA Joint Executive Council, which meets quarterly to coordinate health and benefit actions of the two cabinet departments.

The recently updated VA/DOD Joint Strategic Plan supports the common goals from both the VA Strategic Plan and the MHS Strategic Plan and incorporates them into the goals and objectives of the councils and their associated work groups.

Health care resource sharing incorporates everything from general and specialized patient care, to education and training, research and development, and healthcare administrative support. At the end of fiscal year 2006, DOD military treatment facilities and Reserve units were involved in sharing agreements with 157 VA medical centers.

The NDAA for Fiscal Year 2003 required VA and DOD to undertake significant collaborative initiatives. Section 721 of that Act required that the departments establish, and fund on an annual basis, an account in the Treasury, referred to as the Joint Incentive Fund (JIF). The JIF is intended to eliminate budgetary constraints as a possible deterrent to sharing initiatives, by providing earmarked funding to cover the start-up costs associated with innovative and unique sharing agreements. The 2006 projects cover such diverse areas of medical care as mental health coun-

seling, Web-based training for pharmacy technicians, cardio-thoracic surgery, neurosurgery and increased physical therapy services for both DOD and VA beneficiaries.

Section 722 of the same act mandated the departments execute no fewer than three health care coordination demonstration projects over a 5-year period. There are seven sites currently testing initiatives, such as the Bi-Directional Health Information Exchange, Laboratory Data Sharing Initiative and Joint Market workload data analysis. The demonstration projects will generate valuable lessons learned for future DOD and VA sharing initiatives across the country.

The goal of seamless transition is to coordinate medical care and benefits during the transition from active duty to veteran status in order to ensure continuity of services and care. Seamless transition efforts have made it possible for servicemembers to enroll in VA health care programs and file for VA benefits prior to separation from Active duty status.

DOD and the VA implemented the Army Liaison/VA PolyTrauma Rehabilitation Center Collaboration program—also called "Boots on the Ground"—in March 2005. The intent of this program is to ensure that severely injured servicemembers who are transferred directly from a military treatment facility to one of the four VA PolyTrauma Centers, in Richmond, Tampa, Minneapolis, and Palo Alto, are met by a familiar face and a uniform. A staff officer or non-commissioned officer assigned to the Army Office of the Surgeon General is detailed to each of the four locations. The role of this Army liaison is primarily to provide support to the family through assistance and coordination with a broad array of issues, such as travel, housing, and military pay. The liaisons also play a critical role in the rehabilitation process, by promoting resiliency in servicemembers. Finally, it is important that these servicemembers and their families realize that we appreciate their service.

The next program is the Joint Seamless Transition Program, established by VA in coordination with the military Services, to facilitate and coordinate the timely receipt of benefits for severely injured servicemembers while they are still on Active duty. There are 12 VA social workers and counselors assigned at 10 military treatment facilities, including Walter Reed Army Medical Center and the National Naval Medical Center in Bethesda. They ensure the seamless transition of healthcare, which includes a comprehensive plan for treatment. Veterans Benefits Administration counselors visit all severely injured patients and inform them on the full range of VA services, including readjustment programs and educational and housing benefits. As of December 15, 2006, VA social worker liaisons had processed 6,714 new-patient transfers to the Veterans Health Administration at the participating military hospitals.

The DOD and VA information-technology communities have made considerable progress toward and will continue joint pursuit of information-management and technology initiatives that will significantly improve the secure sharing of appropriate health information.

The Federal Health Information Exchange (FHIE) supports the monthly electronic transfer of health information from DOD to VA at the time of the servicemember's separation. The data contained in this transfer include: laboratory and radiology results, as well as discharge summaries, admission, disposition and transfer information, and patient-demographic information. Healthcare providers within the Veterans Health Administration and benefits counselors within the Veterans Benefits Administration access this information via the Computerized Patient Record System (CPRS) and Compensation and Pension Records Interchange (CAPRI), respectively. As of the end of fiscal year 2006, DOD had transmitted health data on more than 3.6 million patients. DOD also uses FHIE to transmit data to the VA regarding VA patients who are receiving care within military treatment facilities. DOD has sent more than 1.8 million individual transmissions.

FHIE is also being used as a platform from which DOD transmits pre- and post-deployment assessment information for separated servicemembers and demobilized reservists and guardsmen. The DOD has electronically transmitted more than 1.4 million assessments on more than 604,000 individuals to the VA. DOD added data from the post-deployment health reassessment in fiscal year 2006.

Building from the FHIE, which is a one-way flow of information, DOD and VA have developed and begun deployment of the Bi-Directional Health Information Exchange (BHIE). This exchange enables near-real-time sharing of allergy, outpatient prescription, and demographic data between DOD and VA for patients treated in both DOD and VA. BHIE is operational at all VA Medical Centers and at the 14 military treatment facilities with the highest incidence of returning OEF/OIF servicemembers and the highest number of visits for VA beneficiaries in DOD facilities.

QUALITY OF LIFE FOR THE MILITARY AND THEIR FAMILIES

This is the sixth year of sustained combat and the resiliency of servicemembers and their families is nothing less than remarkable. The Department makes family support a priority and has redesigned and boosted family support in a number of ways to recognize that families also serve and sacrifice.

Communication with loved ones

Military spouses indicate that being able to communicate with their servicemember is the number one factor in being able to cope with deployments. Back home, computers and Internet service at base libraries, family support centers, and youth centers ensure families can send and receive e-mails from their loved ones who are deployed. Phone banks with Internet hook ups are readily available in base camps. Free morale calls are also regularly available in theater. Morale programs include 145 free MWR-operated Internet cafes in Iraq and 30 Internet cafes in Afghanistan. Mobile Internet cafes offer Internet Protocol phone service at less than $.04 per minute. The cost of phone calls is now much reduced through work with telecom companies, and our exchanges provide unofficial telephone service at low international per minute rates for deployed members on land and sea.

Communication strategy

The cornerstone of our communication strategy is Military OneSource (www.militaryonesource.com or 1–800–342–9647), which has quickly become the trusted source of information and assistance for servicemembers and their families. Military OneSource is a 24-hour information and referral service. It provides information and assistance on a wide range of issues, including parenting, child care, educational services, financial information and counseling. Individualized assistance is available by telephone, e-mail, or the Internet. Department survey results indicate that one in five servicemembers used Military OneSource in the previous 12 months. The current call volume is almost 1,000 calls per day. In fiscal year 2006, there was an average of 125,000 online visits per month. The 2006 Army Family Action Plan Conference designated Military OneSource as the number one program in support of mobilization, deployment and family readiness.

The second part of our communication strategy is Military Homefront, (www.MilitaryHOMEFRONT.dod.mil). Our award-winning, "best in government" quality-of-life web portal is a user-friendly site that connects all DOD quality-of-life information on-line. The site reaches out to our men and women in the military, to their families and to service providers. In fiscal year 2006, there were over 25 million hits and 1.5 million visitors.

Two new applications, Military Installations and Plan-My-Move, add a new dimension to the Homefront. For the first time, servicemembers can access the online Plan-My-Move; it provides tools for budget planning, household goods inventories and much more. Military Installations provides directions to programs, services, and facilities for military bases, National Guard offices and VA facilities worldwide.

Counseling

Family assistance and military member counseling is in increased demand—more than doubling over the last year. This short term, situational and problem-solving nonmedical support is designed to help servicemembers and their families cope with the normal reactions to stressful situations. All military Services, including the National Guard and Reserve component, are actively using this resource; it is intended to augment existing military support services during the cycles of deployment and reintegration. Up to six sessions of counseling per situation can be requested by individuals and families. The counseling, provided by licensed and credentialed professionals, is confidential and optimally available within a 30 minute drive time of the individual requesting services. Counselors are trained to assist families with life management issues such as reunion expectations, loneliness, stress, long separations, differences after a year apart, effects of deployment on children, loss and grief, and how best to reintegrate into family life. Financial counseling is also available to help with today's complex financial decisions and the added complication of family separations.

Child Care

Military parents rely on child care and youth programs during deployments to help them manage their rigorous work schedules. Since the beginning of OEF/OIF, the Department funded $228 million in additional child care, with an end result of creating approximately 7,000 child care spaces in 37 child care centers and 42 additions/renovations at high personnel tempo locations. Further, an additional 4 million hours of care were provided as a result of the increase in funding. In fiscal year

2006, the Department moved forward with the emergency intervention strategy to address the most pressing child care needs at locations impacted by high deployments and rebasing. To continue the effort, the Department dedicated $82 million toward the purchase of modular facilities, renovations, and expansion of current facilities.

DOD supports the child care needs of Reserve component families through several initiatives: Operation: Military Child Care is a DOD partnership with a national non-profit organization that helps families/child guardians locate child care at reduced rates in their own communities when they are unable to access child care on military installations; Operation Military Kids is the Army's collaborative effort with community agencies to support the 'suddenly military' Reserve component children and youth before, during, and after the deployment of a parent or loved one. In fiscal year 2006, more than 29,000 youths in 34 states participated in Operation Military Kids activities; in 2007, a new Coaching for Young Families initiative will provide 20 full-time positions offering counseling support to families with young children in high deployment areas. Twelve of the 20 consultants will work at National Guard and Reserve component locations.

Casualty Assistance

Each Service has its own customs, but all see assistance to families of the fallen as a top priority. The Army, Navy, and Marine Corps assign a uniformed member to assist the family, while the Air Force provides assistance through a full time civilian Casualty Assistance Representative. The Services have developed programs to provide personal assistance as long as the families desire contact and stand ready to respond whenever a concern arises.

In March 2006, the Department published "A Survivor's Guide to Benefits, Taking Care of Our Own." The guide details the Federal benefits available to families of servicemembers who die on active duty, to include coordinated benefit information from the DOD, VA, and SSA. This guide, that was updated last June and November, is on the Military Homefront Web site, where it is always available in its most current version.

For Service casualty staff and military widows, the Department created "The Days Ahead, Essential Papers for Families of Fallen servicemembers," a tool designed to assist families in organizing the avalanche of paper work that is necessary as a family applies for and receives Federal benefits as a result of an active duty death.

Transportation of Fallen Loved Ones

With the enactment of section 562 of the NDAA for Fiscal Year 2007, effective 1 January 2007, dedicated military or military-contracted aircraft is the primary mode of air transportation of remains that are returned to the United States from a combat theater of operations through the mortuary facility at Dover Air Force Base (AFB). Commercial air may only be authorized at the request of the person designated to direct disposition. The Department has recently expanded this provision to include transportation for all personnel who die of their wounds or injuries sustained in a combat theater of operations regardless of whether the remains are processed through Dover AFB.

A member of the Armed Forces, in an appropriate grade, escorts the fallen servicemember's remains continuously until arrival at the applicable destination. At the arrival airfield, an honor guard detail is available to render appropriate honors and participate in the off-loading of the flag-draped casket from the aircraft to awaiting ground transportation for onward movement to the funeral home or cemetery.

Since families still sometimes choose the use of commercial air, the Department continues to work with the commercial airline industry to ensure that all actions are taken to ensure our fallen are handled with the highest level of respect. The airline industry responded to this request for support with a multitude of courtesies.

Expedited Citizenship

Gaining citizenship for a non-U.S. citizen servicemember is not only a satisfying, and often a life-long goal for that individual, it also provides a stepping stone for members of the family to become citizens. The Department works closely with the Department of Homeland Security's Citizenship and Immigration Service (CIS) to expedite citizenship applications for non-U.S. citizens who serve honorably in our Armed Forces. CIS established an office in 2002, dedicated to work all military citizenship applications. Since this office was established, 35,818 servicemembers have obtained citizenship and the average processing time has been reduced from 9 months to less than 60 days. At DOD's request, CIS recently entered into an agreement with the FBI to permit the use of military member fingerprints provided at

the time of enlistment for processing military member citizenship applications. The Department also continues to work closely with the CIS to conduct naturalization interviews and swearing-in ceremonies overseas and onboard ships. Over 3,194 military members have been naturalized at overseas ceremonies conducted since October 1, 2004.

National Guard and Reserve Family Support

This past year has seen a maturing of existing programs, new initiatives, and integrated support systems to respond to the special needs of families, especially National Guard and Reserve families located significant distances from military installations. Per direction in the NDAA for Fiscal Year 2007, the Department is designing a regional joint family support model. Two critical components of the model involve building coalitions and connecting Federal, State, and local resources and nonprofit organizations to support Guard and Reserve families. Best practices and lessons learned from 22 Inter-Service Family Assistance Committees and the Joint Service Family Support Network will guide the planning process. Minnesota's, "Beyond the Yellow Ribbon" reintegration program will serve as a model with a funded Community Reintegration Coordinator position. Hawaii and Oregon have volunteered to be models. These are States where we can build on a successful infrastructure to deliver a wide range of family assistance to expand our reach to the Guard and Reserve.

Financial Readiness

The Department considers the personal financial stability of servicemembers and their families a significant factor in military preparedness. Financial readiness remains a top priority for the DOD and we aggressively promote a culture within the military that values financial competency and responsible financial behavior. The Department's Financial Readiness Campaign encourages servicemembers to achieve good credit, save on a regular basis, obtain good interest rates on loans, and take advantage of the opportunity to participate in the Thrift Savings Plan (TSP) and the Servicemembers' and Veterans' Group Life Insurance (SGLI).

The Financial Readiness Campaign includes partnerships with other Federal, corporate, and non-governmental organizations to help military members and their families manage their finances. While trends in the past couple of years show more servicemembers are able to save and fewer are having financial problems, a third of E1s–E4s still indicate that they have financial problems. It is important that we continue efforts to provide access to cost-effective financial readiness tools and products, and protect members from predatory lenders.

Education is our first line of defense. In 2006, the Services provided more than 11,800 financial management classes at their installations around the world and trained more than 324,000 servicemembers (approximately 24 percent of the force), as well as 19,400 family members. Our campaign partner organizations, such as those represented by our on-installation banks and credit unions, conducted an additional 1,300 classes, serving a total of 60,600 servicemembers and their families.

Our 23 financial readiness partners are invaluable in providing both education and counseling to our servicemembers and families and in offering affordable, easily accessible financial products. The Financial Literacy and Education Commission provides educational and training materials through the Web site www.mymoney.gov. The Commission also supports a toll-free number and consolidates education and training materials available through the Federal agencies that have been widely advertised and linked to DOD and military service Web sites. The InCharge Institute provides access to credit counseling/debt management, and publishes a quarterly magazine Military Money in partnership with the National Military Family Association. The National Association of Securities Dealers Foundation funds a multi-year awareness and education program to supplement programs provided by the military Services, including a scholarship program for military spouses, through partnership with the National Military Families Association, to accredit them as 'financial counselors' in return for volunteer hours in military communities. Our military relief societies continue to provide outstanding educational materials and counseling, as well as financial assistance when our servicemembers are in need.

As we push our campaign into 2007, the Department provides free Federal and State online tax preparation and filing through Military OneSource for all members regardless of component or activation status. This service includes free telephonic access to trained financial professionals who can answer many tax questions. The Department encourages servicemembers to add any refunds to a savings account. The Department sponsored "Military Saves" Week in February, in conjunction with the Consumer Federation of America's nationwide "America Saves" campaign. This

was an intense week of training and encouragement to start reducing debt and save for the future. Members can set a savings goal by registering on www.militarysaves.org.

Predatory Lending

The Department delivered a report to Congress last August about the impact of predatory lending practices on members of the Armed Forces and their families. The report showed the Department is fully engaged in educating servicemembers and their families, and that the banks and credit unions on military installations, along with the Military Aid Societies, are providing alternative loans. However, we also found that we did not have adequate methods for controlling the prevalence or the impact of high cost short-term loans.

The NDAA for Fiscal Year 2007 gives the Department an opportunity to preclude many of the predatory lending practices from impacting servicemembers and their families. The NDAA sent a clear message that servicemembers should consider alternative loans and counseling to resolve their credit problems instead of perpetuating them through sources of high cost credit.

DOD staff has met with members of Federal regulatory agencies and has defined a game plan to establish a regulation that can focus the provisions of the statute on the issues associated with predatory lending, without impacting the access of servicemembers and their families to beneficial forms of credit.

Commercial Insurance Solicitation

DOD Instruction 1344.07, Personal Commercial Solicitation on DOD Installations, became effective on July 10, 2006. The new Instruction requires installations to report any withdrawal or suspension of solicitation privileges to their Service headquarters and to the Office of the Secretary of Defense (OSD). OSD maintains a DOD-wide list of insurance and investment companies and agents who are barred or banned from doing business on any DOD installation. Installation commanders must review this list prior to approving any new requests to solicit on the installation. Any changes to this list are also reported to appropriate State insurance and Federal securities regulators.

The instruction also contains policy on the use of nongovernmental organizations to provide financial education to servicemembers, and policy to preclude commercial sponsorship of morale, welfare, and recreation programs or events from being used to obtain personal contact information to foster future solicitations. Of particular note, on-base solicitors are now required to provide prospective clients with a Personal Solicitation Evaluation form that will provide feedback to installation officials on how the solicitation was conducted. The evaluation form is designed to detect policy violations and will help installations better enforce on-base commercial solicitation rules.

Domestic Violence

Domestic Violence statistics are slightly lower than last year. The Department remains steadfast in its commitment to strengthen its response to domestic violence and continues to make substantial efforts to improve training of key staff. During the past year, we conducted six domestic violence training conferences, three of which were offered to joint gatherings of commanding officers, Judge Advocates, law enforcement personnel, and victim advocates. We continue implementation of the restricted reporting policy for incidents of domestic violence. This policy offers victims the option of seeking medical and victim advocacy assistance without making a report to the victim or abuser's commander or law enforcement. This confidential assistance is crucial for victims who may be concerned about their safety, the military career of the family-member offender, or the family's financial welfare. The Department continues to expand its victim advocacy program, which provides access to on-call victim advocates and shelters to assist victims of domestic violence. During the past year we launched a Web-based domestic violence training curriculum for commanding officers that addresses their responsibilities when responding to incidents of domestic violence.

In partnership with the Family Violence Prevention Fund, we developed and launched a national public awareness campaign to prevent domestic violence. The campaign is designed as a prevention message to educate service men and women and their families about domestic violence and increase awareness of domestic violence prevention resources. In partnership with the Office on Violence Against Women of the Department of Justice, we have continued several joint initiatives, including training for victim advocates and law enforcement personnel. Additionally, we are conducting domestic violence coordinated community response demonstration projects in two communities near large military installations. The goal of the projects is to develop a coordinated community response to domestic violence focus-

ing on enhancing victim services and developing special law enforcement and prosecution units. Finally, we are participating in the President's Family Justice Center Initiative. The initiative provides funding through the Office on Violence Against Women for 15 centers in select communities nation-wide. The Department partnered with four centers near military installations to address domestic violence.

Military Children's Education

The Department shares a strong interest in quality elementary and secondary education for military children with our partners in State and local education systems. One of the major factors in sustaining the All-Volunteer Force is providing quality educational experiences for military children.

Our DOD schools have high expectations for the over 91,000 students enrolled in our 208 schools located in 12 countries, 7 States, and 2 territories. DOD students are among the highest performing in the Nation as measured by norm-reference assessments like the TerraNova and the Nation's report card, the National Assessment of Education Progress. Our students consistently score above the national average at every grade level and in every subject area. A key ingredient to this success is the partnership that exists among schools, parents, and military commands, focusing on superior student achievement. DOD schools are also leading the Nation in closing the achievement gap between white and non-white students. African-American and Hispanic students in DODEA schools consistently outperform their counterparts in the 50 States in reading and math.

In January 2007, the Peabody Center for Education Policy at Vanderbilt University provided DOD with an updated review of their 2001 study, commissioned by the National Education Goals Panel, on the high academic achievement in the Department of Defense Education Activity (DODEA) Schools. The Department is proud to report that 6 years after the initial findings, DODEA student data reveals that the trend of outstanding academic achievement among all students in general, and among minority students in particular, enrolled in DODEA schools continues. Using National Assessment of Educational Progress data, the follow-up Vanderbilt University study documents that the trend of high academic performance of students enrolled in DODEA schools persists beyond their initial 2001 review, and, in fact, that the achievement gap continues to grow narrower than the national average. The achievement gaps between white and minority students remain much smaller than the national averages. The DODEA writing scores are the second highest in the Nation, climbing from 33 percent to 38 percent of students at or above proficiency. Further, the DODEA reading scores have risen to an impressive first in the Nation with 40 percent of DODEA students scoring at or above proficiency. These results compare favorably to the national averages at 30 percent of students at or above proficiency in both writing and reading. The report conjectured that the foundation upon which DODEA high achievement persists relies upon the core and quality features embedded within the institutional structures, instructional practices, and social and economic conditions within the DODEA schools and communities they serve.

The DOD school system has responded to the President's National Security Language Initiative, which promotes the study of critical need languages in grades K–12. DODEA has launched a foreign language program that will initially introduce DOD strategic foreign languages, such as Mandarin Chinese, to selected elementary and secondary schools in the DODEA system.

The NDAA for Fiscal Year 2007 directed the Department to ease the transition of military students from attendance at DOD schools to attendance in schools of local educational agencies (LEAs). DODEA will share its expertise and experience in developing rigorous and successful academic programs, teacher professional development, and distance learning technology capabilities with stateside school districts impacted by base closures, global rebasing, and force restructuring. The Department identified 17 communities in 14 States that will experience a large number of students transitioning into their schools because of large scale relocation and rebasing. DODEA has begun building partnerships with affected stateside school systems to assist them in expanding quality instructional programs. The ultimate goal of the program is to ensure that a high quality educational program is provided to all military dependents living both inside and outside the gates of military installations.

As an initial step in sharing best practices with LEAs, last November the Department sponsored a Conference on Education for Military-Connected Communities, which brought together teams comprised of military, civilian, school and business leaders from the 17 communities that will experience an increase in military dependent students due to the large scale rebasing effort. Over 200 participants heard

from experts who provided participants with a list of resources for their communities to using during transition.

The Department is also sharing information on the unique characteristics of military dependent students with military and community leaders, military parents and school superintendents who work with these students. To communicate effectively with military parents, teachers and students, the Department provides information on our Web site www.militarystudent.org about the impact of deployments on children, resources to assist in separations and transitions, and best practices in quality education.

Along with toolkits and outreach through DODEA, the Department is making the Johns Hopkins Military Child Initiative available to military-connected communities and LEAs. The John Hopkins Center for Schools Impacted by Children of the Military focuses on meeting the needs of children and youth least likely to feel connected to school (i.e., children of military families who live in highly mobile circumstances). The Center's approach is being shared with impacted schools and military parents to improve student success, school/family/community partnerships and student engagement.

Spouse Education and Careers

Trying to sustain a career is a major issue facing military spouses. The majority of the 700,000 military spouses of Active duty personnel are in the civilian workforce. In the 2006 Survey of Spouses, 83 percent of spouses report that developing a career is a personal goal. Perhaps even more important to the Department, research indicates that a military spouse's support for a career in the Armed Forces is a top factor in the retention decision of a married servicemember.

Unfortunately, military spouses are a disenfranchised population, generally not included in our Nation's major labor and workforce development opportunities. Frequent relocations result in denial of opportunities ranging from eligibility for in-State tuition and State unemployment compensation to achievement of tenure. For those spouses whose employment requires costly certification and/or licensure requirements, the state-to-state moves are enormously expensive, sometimes precluding a career. Military spouses are excluded from calculation of the National unemployment rate; thus, many State and local workforce investment boards are reluctant to serve military spouses. The unemployment rate for military spouses, at 12 percent, is much higher than the National unemployment rate. Further, our research shows that military spouses earn about $3.00 per hour less than their civilian counterparts.

At the same time, military spouses are better educated than their civilian "look-alikes:" 7 of 10 spouses have some college education. About 20 percent of spouses are enrolled in post-secondary schools; another 51 percent would like to be in school.

The Department is committed to helping military spouses pursue rewarding careers and achieve educational and training goals. We are actively working with DOL to ensure military spouses can receive education and training support via Workforce Investment Act funds. Further, we are partnering with the DOL and national associations around careers in high-growth industries with mobile and portable careers, such as medical transcription, financial services, education, and real estate. The DOD/DOL collaborative Web site (www.milspouse.org), which assists spouses with resume development, locating careers, identifying available training and linking to One Stop Career Centers, continues to be a great resource for our military spouses with almost 7 million Web site hits in fiscal year 2006.

When asked what would have helped them find work after their most recent permanent change of station move, approximately a third of the spouses surveyed in the 2006 Survey of Spouses indicated that easier transition of certifications would have helped, and 27 percent indicated that financial help with transferring certifications was lacking. We have identified a range of popular spouse careers that have State-specific licensing requirements and have designed strategies to address them, initially focusing on teaching and real-estate. Six States have now adopted the American Board for Certification of Teacher Excellence (ABCTE), a national passport teaching credential. Spouses with an ABCTE credential will not have to be recertified in these States. The Department also uses the Spouse-to-Teacher program to support military spouses in their pursuit of K–12 teaching degrees and positions in public and private schools.

Re/MAX launched a program, Operation Re/MAX, that provides military spouses the opportunity to achieve a career in the real estate industry. Since August 2006, there have been almost 2,000 inquiries from military spouses and there are over 800 Re/MAX offices offering to hire military spouses.

Our efforts to raise employer awareness through our partnership with military.com, a division of monster.com, have proven to be a great success. Via this Web

site portal www.military.com/spouse, 155,000 military spouses have posted their resumes and conducted over 3 million job searches of Federal and private sector jobs. There are now over 300 spouse-friendly employers actively recruiting military spouses for their vacant positions; these organizations can post jobs at no cost and may search this exclusive database for military spouse candidates.

Transition Assistance Program (TAP)

Returning to private life after serving in the military is a complex undertaking. To better meet the needs of servicemembers, including the Guard and Reserve, DOD, with the assistance of the DOL and VA, is designing a new dynamic automated Web-based system that will revolutionize the delivery of transition assistance and information. We have nicknamed the new portal: "TURBO TAP." The portal architecture will become the backbone of the DOD TAP process. The primary feature of "Turbo TAP" will be to allow each servicemember to receive customized accounts of benefits from DOD, DOL, and VA. Individuals may return to their account to refresh their memory or take advantage of a benefit at a later date. The portal will augment the personal service provided by our transition counselors. Further, the current preseparation guide for active duty personnel, and a new transition assistance guide specifically for the Guard and Reserve will be released soon.

Voluntary Education

The Department's off-duty, voluntary education program constitutes one of the largest continuing education programs in the world. Each year approximately 450,000 servicemembers enroll in postsecondary courses leading to associate, bachelors, masters, and doctorate degrees. Colleges and universities, through an extensive network, deliver classroom instruction to hundreds of military members around the world through traditional and distance learning instruction. In fiscal year 2006, Service personnel enrolled in 798,972 courses and received 43,467 degrees and diplomas. Despite the challenges of war, degrees have increased as military personnel finish coursework in traditional classrooms (on and off base), as well as on state-of-the-art hand-held delivery systems such as personal digital assistants and iPods. In support of the intent of President's National Security Language Initiative and Defense Language Transformation, we expanded our tuition assistance policy to allow servicemembers to take strategically needed language courses unrelated to a degree. We also worked with major book distributors and some of our major academic partners to reduce out-of-pocket expenditures related to the ever-increasing cost of text books, resulting in a savings to servicemembers of over 30 percent annually.

State Liaison Initiatives

In 2004, DOD approached the National Governors Association to request assistance in supporting aspects of quality-of-life for servicemembers and their families that could be influenced best through the actions of State governments. In the past 2 years, Governors and State legislators have embraced these opportunities to show their support for servicemembers and their families. The Department concentrated discussions on 10 key issues: (1) assistance to Guard and Reserve members and families, (2) assistance to the severely injured, (3) in-State tuition rates for servicemembers and their families, (4) school transition assistance for children of military families, (5) employment assistance for military spouses, (6) unemployment compensation for military spouses, (7) limits on payday lending, (8) absentee voter assistance, (9) growth of foreign language education, and (10) increases in child care assistance for Guard and Reserve families.

Governors and other State policymakers have taken these issues seriously: for example, 30 States are providing in-State tuition rates to servicemembers and their families while assigned to a State as a non-resident, and continuing this support for family members enrolled in school if the servicemember is reassigned out of State. Additional information on the progress of the key issues is provided to state policymakers and others at www.USA4MilitaryFamilies.org.

Morale Welfare and Recreation (MWR)

MWR programs enhance the social fabric of a military community by providing activities normally found in "hometown communities," such as libraries, fitness centers, bowling, golf, parks and sports fields. Some servicemembers returning from the intensity of war miss the adrenaline-high experienced while living in constant danger. As a consequence, they may seek out risky and sometimes self-destructive activities. We are providing high adventure MWR Return and Recreate programs as safer, supervised alternatives: rock climbing, mountain biking, jet skiing, white-water rafting, paintball, and windsurfing.

The continued vitality of military MWR programs depends on consistent appropriated fund support to Category A (mission sustaining) and Category B (community support) MWR activities and a predictable nonappropriated fund revenue stream from Category C (revenue-generating MWR activities). Each of the Service's MWR funds is currently in sound financial condition. However, we are concerned about the impact of BRAC and Global Rebasing: overseas locations produce a significant portion of MWR revenues and exchange profits used to support capital replacement programs. At current performance levels, MWR will not generate sufficient funds to fully sustain future capitalization requirements and we must identify and use other revenue-generating opportunities to fill this gap.

Professional Entertainment

Entertainment helps build morale for deployed servicemembers. Nowhere is this support more important than in the austere locations where servicemembers are performing duty in support of the global war on terror. Armed Forces Entertainment (AFE) continues to provide much welcomed celebrity and professional entertainment to our forces overseas.

In 2006, AFE conducted 118 tours with 1,433 shows in 25 countries. Eighteen of those tours were with the United Service Organizations' coordination. From 2002 through 2006, the Robert and Nina Rosenthal Foundation worked closely with the Country Music industry to provide 76 celebrity entertainment shows at no cost to military personnel and their families. The resulting Spirit of America Tour provides a brief reprieve from the stresses of deployments at military installations within the continental United States.

Exchanges and Commissaries

The commissary and exchange are valued contributors to the quality-of-life of our servicemembers and their families. They provide a safe and convenient community hub, particularly in overseas areas.

Commissaries help military families save over 30 percent on grocery and household necessities. The Defense Commissary Agency (DECA) makes sure that familiar name brands are available for military families at active duty installations around the world. The Department's challenge is to sustain the value of the commissary to our servicemembers without increasing the cost to the taxpayer. DECA, with oversight by the Commissary Operating Board, is becoming a state-of-the-art retail enterprise and is increasingly efficient and effective at delivering the benefit. Commissary customer satisfaction continues to surpass the supermarket industry. Moving forward, DECA will pursue new ways to support military families who don't live on or near military installations and explore cooperative efforts with the military exchanges that enhance overall quality-of-life.

The Armed Service Exchanges provide over $300 million to help support morale, welfare and recreation programs. The Exchanges are using technology—independently and with each other—to improve value to their customers and to lower operating costs.

CONCLUSION

Mr. Chairman, we want to thank you and members of this subcommittee for your advocacy on behalf of the men and women of the DOD.

We established our survey program to listen to our military and civilian personnel. We believe they are telling us that we have a stable, satisfied, and committed Total Force.

Eighty percent of active duty members believe they are personally prepared, and two-thirds believe their unit is prepared, for their wartime jobs. These views have held steady from the start of Operation Iraqi Freedom (March 2003) through the latest survey (August 2006). Although deployments can place a strain on servicemembers and their families, two-thirds of members deployed since the start of Operation Iraqi Freedom indicated that access to the Internet and e-mail while away have greatly improved their quality-of-life. More than half of members (53 percent) who used Military OneSource in the past year (most of whom accessed the program via the Internet) were satisfied with the resource. In terms of compensation, more than three-fifths of servicemembers reported being financially comfortable in April 2006, and four-fifths indicated saving a portion of their household income. More than two-thirds of servicemembers were satisfied with their medical (72 percent) and dental (68 percent) benefits, and more than three-quarters (77 percent) rated their health benefits better relative to their high school classmates. Overall, in August 2006, 57 percent of servicemembers indicated they are likely to stay on Active duty. Based on research using prior surveys, 90 percent of servicemembers

who indicate they are likely to stay actually do stay. Therefore, we feel confident that almost three-fifths of our current Active duty force will stay in the military.

After showing decreases between May 2003 and November 2004, Reserve retention intentions have stabilized and are currently at 67 percent. Between December 2005 and June 2006, reports of family support to stay in the National Guard/Reserve increased, and stress levels decreased. The June 2006 survey results show that approximately two-thirds of members say they have not been away longer than expected, and average nights away and time away decreasing the desire to stay in the military decreased from December 2005. Results from this survey also show that roughly two-thirds of reservists working for employers consider them to be supportive of their military obligations. Where employment problems have occurred and reservists have sought assistance, roughly two-thirds turned to ESGR. Of those who contacted ESGR, 62 percent reported they were satisfied with the manner in which their request for assistance was handled.

In the past year, we also fielded special surveys to spouses so we could fully understand the impact of deployments on the family. Results indicate that 61 percent of Active duty spouses and 75 percent of Reserve spouses support their husband or wife staying in the military. These results are encouraging, as spouses' reports of their support are even higher than members' assessments of spouse support. We plan to continue fielding regular surveys of spouses to better understand the issues facing today's military families.

Although we have challenges ahead managing our civilian workforce—assimilating them into jobs previously performed by the military, implementing a new personnel system, and replacing retiring personnel—the outlook is very encouraging. Since we began surveying civilians in the fall of 2003, we have learned that large majorities are satisfied, and their satisfaction levels on a number of indicators are rising. Roughly three-fourths are satisfied with working for their organizations (73 percent) and their jobs (78 percent). The majority of employees are satisfied with the type of work they do (83 percent), quality of coworkers (67 percent), quality of supervisor (67 percent), and total compensation (64 percent). Approximately 90 percent consistently report they are prepared to perform their duties in support of their organization's mission, and over half are satisfied with management and leadership.

In conclusion, we continue to have a dynamic, energetic, adaptable All-Volunteer Total Force. With your help we are confident we can sustain that Total Force. These volunteers have performed magnificently under the most arduous and perilous of circumstances. They have not failed us; we must not fail them.

Senator BEN NELSON. Secretary Hall?

STATEMENT OF HON. THOMAS F. HALL, ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

Mr. HALL. Chairman Nelson, thank you for the opportunity to appear. I appreciate what you and the other members of the committee have done, and continue to do, of our young men and women serving today.

I'm not up to Dr. Chu's record of nine appearances, but I believe this is my fifth, since I'm into my fifth year; and I believe what I have seen is considerable progress on the way in which we train, compensate, mobilize, and utilize our Guard and Reserve. I'm very encouraged by the progress that we have made.

I served for 38 years of Active Duty, and I served in a draft military. I can tell you that the young men and women today, as all volunteers, are absolutely superb. We've mobilized almost 550,000 since the beginning of the war. We have 74,000 guardsmen and reservists mobilized as of today. But, most significantly, that's 120,000 less than we had at the highwater mark, almost five or six Army divisions less. So, we are reducing the stress on the force.

The Secretary of Defense has also published a new mobilization memo on January 19. Soon after coming aboard, he received advice and counsel, and as a result, we are limiting our total mobilizations to 1 year, we are setting metrics for both our Active and our Guard and Reserve for how, and when, they should deploy. We're looking

at mobilizing by units. We are looking at reducing, if not eliminating, the stop-loss policy. For those people that might go more frequently, we're looking at a compensation policy.

I might add, I just returned from a speaking engagement this weekend, one of many, and I have yet to find throughout the United States any guardsmen, reservists, family, or employers that don't support the new mobilization policy. They think it is a move in the right direction.

Finally, I would say that I have recently chaired the working group appointed by the Secretary of Defense to analyze Mr. Punaro's Commission on the Guard and Reserve. In particular, there are 23 recommendations. Tomorrow, I will deliver my report to the Secretary of Defense on that commission. We were given 30 days, but we finished in 14. The import of that is that I know that the Secretary of Defense is anxious to quickly implement, in policy, the changes that he agrees with, and quickly work with you on legislation to change the things that he needs.

Thank you, again, for the opportunity to appear.

Senator BEN NELSON. Thank you.

Dr. Jones?

STATEMENT OF STEPHEN L. JONES, DHA, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR HEALTH AFFAIRS

Dr. JONES. Thank you, Mr. Chairman. I would also like to thank you for the opportunity to be here and discuss the Nation's military health system.

America's military health system is unquestionably the finest in the world. Our medical professionals have performed superbly on the battlefield, and their efforts have given us the lowest death-to-wounded ratio and the lowest disease nonbattle injury rate that we have witnessed in history. Once our medics are on the scene, a remarkable 98 percent of those treated survive.

Today I'd like to touch basically on three areas: One, our fiscal year 2008 budget, critical and near-term financial issues; two, the long-term plans to strengthen our healthcare system; and three, our efforts to provide even a more integrated joint healthcare delivery system.

Earlier this month, as you mentioned in your statement, Mr. Chairman, Dr. Chu and Dr. Winkenwerder appeared before the full Senate Armed Services Committee to address the shortcomings in the outpatient housing and care coordination for our wounded servicemembers at Walter Reed. Due to swift action by Secretary Gates in the establishment of an independent review group, combined with the DOD/VA Commission led by former Senator Dole and Secretary Shalala, we are already focusing on major bureaucratic impediments we must remove to provide our servicemembers and their families with the responsive, well-coordinated, and professional healthcare services that they expect and they deserve.

We are not confining our review to just Walter Reed, but are conducting a broad review of all medical facilities, across all Services. We are examining closely the disability determination process, with the goal of ensuring fair, consistent, and timely adjudication of disability reviews combined with clear, regular communications with servicemembers and their families.

Although our reviews require additional time to develop solutions in the long-term, I do want to iterate my belief about what has not caused the problem. The Base Realignment and Closure (BRAC) decision to close Walter Reed remains the correct one. Our servicemembers and all of our beneficiaries need a modern medical facility designed for health care delivery for the 21st century. The decision to integrate clinical operations of both the Bethesda and Walter Reed medical centers on the campus at Bethesda is based on a number of compelling factors.

One, better quality. The merged medical campus will allow us to sustain leading graduate medical education and more easily integrate and share staff with the National Institutes of Health, which is just across the street.

Patient access. In studying the demographics of the region, the new Fort Belvoir and the new Walter Reed National Military Medical Center will place our facilities where our population lives. From patient satisfaction, there is no empty space on Walter Reed, and if we were to increase capacity to conduct major renovations in that medical center, we would have to go wing by wing, and renovate while patients are being treated there, which would be disruptive to patient care, and also very costly because it's a very old chassis.

Secretary Gates, in a recent statement, and at the request of Senator Warner, of course, has asked us to look at accelerating the new Walter Reed National Military Center, and those evaluations are underway at this time, Mr. Chairman.

In addition to addressing the critical issues that have surfaced the last 2 months, we must still attend to operating the rest of our health care system. With our fiscal year 2008 healthcare budget estimated at $40 billion, we need to bring our rapidly-growing costs under control. As we discussed earlier, Mr. Chairman, you're aware that if left unchanged, the cost to our taxpayers, by 2015, will be $64 billion, rather than $40 billion that we have today. This would approach 12 percent of the DOD budget, versus the present 6 percent, which was in 2001; and we're at about 8 percent at our present funding level.

In the meantime, we're doing everything we can to control our cost growth internally. We are executing our new TRICARE regional contracts more efficiently, we're demanding greater efficiency within our own medical facilities. However, one area, pharmacy, is particularly noteworthy. Nearly 6.7 million beneficiaries use our pharmacy benefit. In fiscal year 2006, our total pharmacy cost was more than $6 billion. If we did nothing to control our pharmacy cost, we project that those costs alone would reach $15 billion by 2015. We're taking every action for which we have authority, promoting our mandatory generic substitution policy, joint contracting with the VA, launching a mail-order promotion campaign, and receiving utilization rebates from pharmaceutical manufacturers to lower costs. These efforts are working. Recent legislation passed by Congress and other regulations limit our ability to control costs in the fastest growing area of pharmacy, the retail sector. In retail, our products cost us 50 percent more than the same drugs dispensed through our military treatment facilities or mail-order venues.

You can help us by allowing the Department to make appropriate changes in the structure of our pharmacy benefit. These changes will accelerate use of our new home-care delivery program, enhance the use of generics, and give us greater leverage when negotiating with pharmaceutical manufacturers.

Another area which I want to touch on is better integration of our healthcare system. The BRAC legislation is helping us drive and encouraging that integration. The medical infrastructure we are creating through the BRAC will better serve our beneficiaries through the following: improve access to care, allow for enhanced graduate medical education, allow for joint medical training for enlisted personnel, co-locate our medical headquarter elements, and, through the creation of the medical center, which we talked about earlier, create a Walter Reed National Military Medical Center.

Senator, it's an honor for me to work with the military medical staff members who I associate with daily. They are exceptional and provide superb high-quality medical care, and we are pleased that we believe they are serving our missions of our servicemembers while they are at war.

Thank you, sir.

Senator BEN NELSON. Thank you, Dr. Jones.

Senator Collins, do you have an opening statement that you'd like to make?

Senator COLLINS. No, thank you, Mr. Chairman.

Senator BEN NELSON. Okay, thank you, to the panel.

My first question will go to Dr. Chu, relating to the physical disability evaluation system. Servicemembers with a disability rated 30 percent or higher qualify for medical retirement. Those with less are separated with severance pay. The Center for Naval Analysis (CNA) reviewed the disability ratings of all Services and reports that 26.7 percent of airmen determined to be unfit for duty receive disability ratings of 30 percent or higher. The other Services award ratings of 30 percent or more to far fewer servicemembers. The Army awards this 4.3 percent of the time; the Navy, 4.1 percent of the time; and the Marines, 2.7 percent. Have you gone through a review of each of the Services' disability evaluations systems to see why there is such a disparity in disability ratings of 30 percent or more between the Air Force and the other Services?

Dr. CHU. We have looked at this issue. This system is decentralized under broad policy guidance from the Office of Secretary of Defense. Let me start with that guidance.

We are about to issue revised guidance that I think will bring greater uniformity of result and improved process from the perspective of all stakeholders in this important set of decisions.

Yes, it is decentralized; therefore, you would expect to see some variation by Service. I'm not sure I would necessarily agree with the specific figures that CNA has there.

I do know that it is interesting—and this is in contrast to the recent Government Accountability Office report—that there is a fair amount of stability within any one Service in the pattern of decisions, year over year; plus the fact that the bulk of decisions accrue from nonwar issues, that they are there in peacetime. A significant fraction, of course, are decisions about persons who have reached 20 years of service, retiring by virtue of longevity, not by virtue of

disability. That is one reason that you will see some differences in Service figures, because the fraction of each cohort that reaches retirement eligibility does differ across the Services. There is in DOD a presumption of fitness to serve, if you have served for 20 years, in terms of offering a disability rating.

Senator BEN NELSON. Now, in regard to that, if someone came with a 30 percent disability, and they're not retiring, would they receive a 30 percent disability from the Army? But what might they receive from the VA if they were unable to continue to serve?

Dr. CHU. That's an important question, sir, as you are suggesting. As you appreciate, the statutes governing disability ratings for the two departments differ. Our statute emphasizes fitness to serve. The VA statute emphasizes loss of civilian earnings power, for which physical condition is a proxy. So, it is not surprising that you will get different ratings out of the two systems, particularly for those individuals being evaluated at the retirement—normal retirement point—in other words, people who have served 20 years or more and who are retiring by virtue of years of service.

A further reason for differences between the two Cabinet agencies, as you appreciate, is that the VA—ours is a one-time evaluation, a snapshot at the time of departure; the VA evaluation, however, is, properly, continuous. So, if the condition worsens or the effects of age exacerbate the condition, the VA does change the rating generally in the upward direction over time.

I do think there is a fundamental question here, as we testified earlier to the full committee, as I know you appreciate, and that is: Why does the country have three different systems to compensate for disability in military Service? Social Security pays in some instances. There's one set of constraints about what that benefit can look like. VA pays in many other circumstances. DOD pays in many of those same circumstances. I understand, from the recipient's perspective, this is confusing. Should we be looking, long-term, after the various review panels have reported, at some unification of these three systems, and some clarity about the principles that together they should follow, as opposed to separate and different principles—is that a meritorious step? I think that's one of the big questions out there for us to consider.

Senator BEN NELSON. What do you think the likelihood is that you could get a single system, given the differences?

Dr. CHU. I think this goes fundamentally to the responsibilities on Capitol Hill and on Pennsylvania Avenue, and that is, can we agree on the set of principles under which the systems should run? In other words, is there a single cohesive set of principles that they are to follow? If we can get that agreement, I think we can devise a set of mechanisms that would be effective, and perhaps much less confusing and, one would hope, less frustrating to the beneficiary population.

Senator BEN NELSON. Now, is it possible to go ahead and begin some sort of preliminary work to see what might be developed with principles first, and then an effort toward smoothing out the differences, to the extent possible?

Dr. CHU. Yes, sir. I think we have three important sources of findings that can help us. In 2003, if I recall the date correctly, Congress required there be constituted a Commission on Veterans

Disability. It has been working, under the chairmanship of retired Lieutenant General Terry Scott, these last several years. It has a reporting date of October 2007. I think that will be an important set of evidentiary findings from a group that has been working this problem for some time. Second, of course, we have the two more recently appointed groups, the group that is the commission created by the President, co-chaired by Senator Dole and Secretary Shalala, and then the group appointed by DOD, with former Army Secretaries Marsh and West as the co-chairmen. They report much more rapidly.

In addition, the VA Secretary chairs a task force asking "what can we do within existing law?" We are, likewise, conducting similar reviews inside DOD.

But the short answer is yes, sir, I think we can begin that task sooner rather than later.

Senator BEN NELSON. All right. Would we be able to get the seamless transition in the process, as well? In other words, if you get a nearly single system, will that carry over, so when somebody becomes a veteran through retirement, as opposed to being wounded and unable to continue in the position?

Dr. CHU. Sir, my personal belief is that, almost by definition if we have a single system, many of the current seams would disappear. There will still be record-transfer issues, there will still be issues how to manage cases as you move from one status to another. I think some of this can be solved with existing administrative authority. We have already been working, as I know you appreciate, with the VA for several years now on how we can make the existing system more seamless in character. I think we've made significant progress in that regard with the benefits delivery and discharge program, for example, with trying to create a single examination as the standard going forward with memorandums of agreement at every location in the United States now. There is more to be done on that front.

Senator BEN NELSON. Dr. Jones, DOD has been working hard to implement a reliable, effective electronic health record system, called Armed Forces Health Longitudinal Technology Application (AHLTA). In your joint written testimony, you stated that the military health system has, "successfully completed worldwide deployment of AHLTA." If this system is so good, why is it so difficult for DOD to provide military medical records to the VA in a timely manner? Is the AHLTA system ready to be merged with the VA's electronic records system to create a joint records system? If not, what more needs to be done to get this accomplished?

Dr. JONES. Senator, as of November 2006, we did complete AHLTA worldwide, which means it's presently in all of our 138 facilities. AHLTA, traditionally, the first phase is an outpatient facility, outpatient module, which, of course, allows us to operate on the battlefield and get that information back to the providers in Landstuhl, and, of course, back at Walter Reed or Bethesda. The VA system traditionally has been an inpatient system. Again, they are inpatient-based, historically. If you look at our priorities at the military health system, our next priority is an inpatient system, an inpatient module, that would be placed into AHLTA. The VA, their system, their VistA system, I understand is based on an older oper-

ating system called MUMPS, and they will have to rejuvenate that system. So, our two secretaries have asked that we, between the VA and DOD, do a study to see if we can't possibly draw up requirements where we could use the same system, and we're presently doing that.

Then, our third challenge, Senator, would be, how do we communicate with those private physicians and private hospitals? Many of our beneficiaries use TRICARE, and we would like to be able to get those medical records back into AHLTA from the private sector. Of course, that's a longer-term solution.

In the interim, our information technology folks in both the VA and DOD have been working very hard to transfer data. We have presently transferred 3.6 million records, which VA has access to those who have retired or separated from service. We have a number of projects ongoing which provide realtime data back and forth in a number of facilities. We are giving that great priority.

Senator BEN NELSON. With the effort underway to merge, what's the timeline, if you have a hard timeline, do you anticipate the merger?

Dr. JONES. The study that we are presently doing, we hope that that will be completed by this summer. Of course, if we get the green light that those requirements are like enough for us to have one inpatient record, then we would—again, implementing that, doing the necessary development work to make that happen, sir.

Senator BEN NELSON. Okay.

Secretary Hall, in your capacity as Assistant Secretary of Defense for Reserve Affairs—I'm going to read you the recommendation from the Commission on the National Guard, some of the recommendations, "The Commission on the National Guard and Reserves recently submitted its second report to Congress. In the report, the Commission recommended that the grade of the chief of the National Guard Bureau should be increased to four stars, but that the chief should not be made a member of the Joint Chiefs of Staff." Now, in your view and in your position, are these your views, as well?

Mr. HALL. As I mentioned, I chaired the working group on not only these 2, but the other 21 recommendations. I will submit my report tomorrow with my thoughts and comments on those, to the Secretary of Defense. I think it would be premature for me to discuss those. But I will tell you what the Secretary of Defense has said on the record on both of those issues, and he's said that, I think, in testimony and before two public forums, so these were what he said. I think I can correctly indicate. He said that if the position of the Chief of the National Guard Bureau has the responsibilities attached to it that rises to the four-star rank, he would support that. On the second one, he said he did not support membership of the Chief of the National Guard Bureau on the Joint Staff. Those are his two public statements on that. The rest of them, we will have to see after the report goes in.

Senator BEN NELSON. Okay. So, your views are consistent with that conclusion?

Mr. HALL. I support the Secretary's views on that, certainly. [Laughter.]

Senator BEN NELSON. Just wanted to see if we could get you to stumble.

Mr. HALL. This is my fifth hearing, so I certainly support those. [Laughter.]

Senator BEN NELSON. You've been learning.

Senator Collins?

Senator COLLINS. Thank you very much, Mr. Chairman.

Dr. Jones, I want to ask you about an issue that some Guard members in Maine have raised to me about what they believe is a gap in our system of military health care. I'm not certain their understanding is correct, but, if it is, it suggests there are situations where those who serve and have been injured fall through the cracks. So, I want to describe what these Guard members told a member of my staff.

They pointed out that when an Active Duty servicemember returns from overseas and requires either physical or mental health care, he or she goes to the military medicine system and relies upon that structure. Similarly, when a reservist or a National Guard member who has suffered injuries—whether they're physical injuries or mental injuries—while on Active Duty, while they were deployed, and those are serious enough that the Guard member or reservist is separated from the military, he or she can turn to the VA system for treatment. But these Guard members who talked to my staff believe that there's a gap that occurs when a reservist or a National Guard member returns—who has suffered physical or mental injuries, but goes back to the civilian job and continues to drill or participate with the Reserves or Guard. They believe that that individual falls through the cracks, that they're not eligible for the Active Duty military system, they're not eligible for the VA system. Are they correct in telling me that?

Mr. HALL. I would say we—because of what Congress passed, the Guard and Reserve—the TRICARE Select, last year, made available to all members of the Guard and Reserve, TRICARE Select for them and their families, regardless of whether they are drilling, on Active Duty, whatever the status. For a pay of 28 percent, you can enroll either yourself or your family, so you may go into that system. Prior to that, we did not have that. But that will allow—and that's to be implemented—it's being worked on now, will be implemented in the fall, by which they can remain in the TRICARE system for this pay, even if they're in a drilling status or Active Duty.

Senator COLLINS. I was aware of that, but that's if they buy into the TRICARE system. I'm talking about a guardsmen who, let's say, has post-traumatic stress disorder (PTSD), has come back, is now re-employed in the civilian sector, does not participate in TRICARE, let's say, is uninsured in the civilian job. How does that person get treatment for injuries that were suffered while that person was on Active Duty, the lingering impact?

Dr. CHU. Senator, as I suspect you are aware, they are, on a lifetime basis, whether drilling or not, eligible for VA care for any service-connected disability

Senator COLLINS. Even though they haven't separated.

Dr. CHU. Even though they—VA care is based upon the fact that you were injured on Active Duty. In addition, you have a 2-year window after release from Active Duty in which you do not have

to have demonstrated the ailment was service-connected, you merely have to say, "I think it was." You can show up at the VA. The VA opens generously its services to you. In further addition, on the TRICARE front, Congress, within the last few years, changed the statute so you have 6 months' coverage of TRICARE after release from Active Duty. So, taking it from the other way around—the 6 months TRICARE coverage after release from Active Duty—there's 2 years, essentially no questions asked, if it is even believed to be service-connected, VA. Once it's established it's service-connected, then you have a lifetime entitlement to VA care. So, if you have Maine Guard personnel who are complaining, I think the challenge is to us, how do we communicate better?

Senator COLLINS. Right.

Dr. CHU. We'll certainly take that back for action. How do we communicate better? "Here is how we deal with the issue," and maybe we should start with that, "You have a problem and you're in this status, here's what you do," because there is recourse.

Dr. JONES. Senator, we'll be glad to get with your staff and get particulars. If there's some way that we can be of assistance, we will do so.

Senator COLLINS. That would be helpful. This came to us, as I said, from the Veterans Coordinating Committee in Maine. It sounds like there's not a full understanding of what's available.

Dr. JONES. Senator, I might mention one other thing.

Senator COLLINS. Yes.

Dr. JONES. Congress, last year, of course, mandated that we set up a Mental Health Task Force, and that Mental Health Task Force has been meeting now, and will be reporting, I think, June/July, to the Secretary. We believe that we are, of course, providing adequate mental health care and coverage; however, this task force has been out there, been on 30 bases and facilities, so we will look forward to their report. Of course, again, they might bring up gaps that we need to look at, and we will do so.

Senator COLLINS. Thank you.

Another issue that I'm hearing more and more about from my constituents is the prevalence of traumatic brain injury (TBI) from explosions in Iraq that have been misdiagnosed as PTSD. A neurologist from Maine met with me a couple of weeks ago who personally had a case where there was a physical injury that had not been caught, and, thus, was not being appropriately treated. That's very disturbing, obviously, and, because of the number of improvised explosive devices (IEDs) in Iraq, I suspect we're seeing more and more TBI. What plans do you have to either do better screening for TBI or to have some other way to make sure that we're screening for this? Because it's been called "The Silent Killer." It's difficult to detect and diagnose, and I'm very concerned about this, based on the conversations that I've had with this neurologist.

Dr. JONES. Senator, we, too, are concerned. As you say, with the number of IEDs, this is getting to be a number of our wounded warriors impacted by that. We have invested—I say "we," DOD and VA—considerable resources over the last 10 to 15 years looking at TBI. But much more needs to be done. We have added screening questions now to our post-deployment assessments and our post-redeployment reassessment programs. We've also charged the Army,

along with our Deputy Assistant Secretary for Force Health Protection, to look at all of the various programs that we have in the TBI area, and to look at a comprehensive approach. Again, the way ahead, as you suggest, and in fact, we had the discussion with the surgeons general this morning about that. Don Arthur, the Surgeon General of the Navy, he had TBI, so he has a personal professional interest in this. He also will be working with us to develop a plan, hopefully which we will have ready by August 2007.

Senator COLLINS. Thank you.

Mr. Chairman, I know that you have a whole other panel, so I'll submit my other question for the record.

But just so you know what I would have asked, it has to do with the disparity between benefits for Guard members and reservists versus Active Duty now that we're treating them so much more alike than ever before. I will submit that one to the record, because I know we're going to have more votes.

Thank you. I'm very pleased to hear about the screening questions on post-deployment. That is exactly what this physician suggested needed to be done, and I think that's really going to help. So, thank you.

Dr. JONES. Thank you.

Senator BEN NELSON. Thank you, Senator. Your other questions will be included in the record.

Senator COLLINS. Thank you.

Senator BEN NELSON. I've gotten the message that Senator Graham is unable to be with us.

Also, we have received a statement from Misti K. Stevens regarding funding for DOD schools, and if there is no objection, her statement will be included in the record.

Thank you.

[The information referred to follows:]

To the Honorable Chairman, Minority Leader, and Members of the Armed Services Committee, Department of Defense Education Activity (DODEA) schools have provided a quality education for military dependents through out their history. Nevertheless inadequate funding is threatening the standard of education the stateside branch of this organization, Domestic Dependent Elementary and Secondary Schools (DDESS), is able to provide. In fact, budget cuts have resulted in hazardous school environments and substandard learning opportunities for military dependents. Increased funding is necessary for DDESS to provide this crucial benefit which is well earned by our soldiers and their family members.

As parents, educators and students we are troubled by the decreased funding for DDESS. DODEA through DDESS provides a consistent curriculum, a superior education as is witnessed by higher standardized test scores, and produces a higher percentage of graduating seniors who go on to attend college. The demands on military children are unique, for example the average military dependent will attend three high schools prior to graduating and will endure at least one 6-month to 12-month hazardous duty deployment of a parent during their high school career. The importance of the uniformity in curriculum, transition counseling, and graduation requirements provided by DODEA schools is essential to create an optimal learning environment for these students.

DDESS budget cuts this year are restrictive and diminish the ability of administrators and faculty to provide the high standard of education expected of DODEA schools. While not isolated the schools located at Fort Campbell provide a prime example of the effects of inadequate appropriations. Fort Campbell High School (FCHS) had an operating budget of $85,000 for the 2005/2006 school year; the same school has received $8,300 for operational expenses as of March 2007 for the 2006/2007 school year. The entire Fort Campbell schools which comprise 8 schools and a populace of 4,415 students as of March 16, 2007 has received $108,000 for the 2006/2007 operating costs, $24.46 per student compared to an appropriation of

$7,259 per student in the neighboring community Clarksville County school district. Consequently, teacher training has stopped, transportation for study trips is no longer available, and funding for additional supplies ranging from copier paper, sheet music for chorus and toilet paper has become a personal economic burden to parents and administrators.

At Mahaffey Middle School, garbage cans catch water from a leaking roof while a broken heating and air conditioning system produces sauna like conditions in some classrooms while other classes have no heat. These moisture problems have created issues with mold necessitating the removal of floor tiles which cannot be replaced due to funding restrictions and a false ceiling has been placed over the molded ceiling of the cafeteria until funding can be found to repair the roof. Overcrowding is yet another issue created by the lack of funding. FCHS was built to house 490 students; current student enrollment is 594 with as many as 641 students this year. There is an expected increase of 10 to 15 percent next year. At the same time the teacher student ratio has increased to 1 teacher for every 30 students for the fifth grade students at Lucas Elementary. Furthermore, the lack of appropriations has led to the cancellation of all study trips, scholastic or extracurricular within the Fort Campbell school system. The consequence of budget cuts is military students are subjected to a substandard learning environment.

As a Nation, we communicate several important messages to military dependents. One is, "America Supports You," yet another is the role your parents play in the military is vital to the survival of our country. We also stress the importance of an education. Senators, we also teach students that actions speak louder than words. Inadequate funding for DDESS schools conveys a lack of support for military members and their families and declares that an optimal education of military dependents is no longer important to our country. Military students pay a high price for our country's safety and they deserve the funding required to provide teacher training, transportation for study trips, and the maintenance of school buildings.

Sincerely,

MISTI K. STEVENS

BIOGRAPHY OF MISTI K. STEVENS

Misti Stevens has her BS in History graduating summa cum laude and her Masters degree in Secondary Education (magna cum laud). She has worked in a variety of capacities as a teacher, AVID tutor and volunteer in DODDs (Hanau, Heidelberg, and Darmstadt, Germany), Leavenworth, KS; Fort Leonard Wood, MO; Edwards Air Force Base, CA; and Fort Campbell, KY. Mrs, Stevens is a member of the Military Child Education Coalition and has played an active role in Army Family Action Planning in the areas of education and youth services. Mrs. Stevens has also held a number of positions in Parent Teacher Student Organizations across the globe and is a military spouse of 17 years with 2 children, ages 14 and 16, who together have successfully attended 15 different schools. Mrs. Stevens MeD includes research comparing DODEA and public schools in the Fort Leavenworth area and IEPs. After numerous interviews she is writing on the behalf of educators, administrators, and parents of various ranks throughout the Fort Campbell community.

Senator BEN NELSON. I think there is one further question pertaining to cross-leveling.

Secretary Chu, you were quoted in the Commission report explaining the cross-leveling issue as "a difference in perspective between the operational chain of authority in the military service and the personnel community." Maybe you can help explain what you mean by that statement.

Dr. CHU. Yes, sir. But let me preface it by saying that the Secretary has made the decision that, going forward for Reserve units, we will aim at mobilizing on a unit basis; in other words, that we should end cross-leveling as a practice, as far as Reserve components are concerned.

The origin of my statement to the Commission is the reality that, at any moment in time, a unit has a certain number of people who are either missing, so a billet is not filled or unable to deploy for whatever reason. The Army standard is that Active units should have less than 4 percent in the last category. So the personnel com-

munity often does have to move people from another unit to the deploying unit, whether it's Active or Reserve. So, from the personnel community's perspective, cross-leveling is a natural phenomenon, done all the time, to put the unit in the right shape.

Senator BEN NELSON. Right.

Dr. CHU. In fact, many Army units are deploying at more than 100 percent strength, which means, by definition, you have to move extra people into the unit.

The operational community tends to see the unit as a single entity, and it is somewhat opaque to that community how that came to be. In other words, how did those people show up? Why are they here? Why, when I have a formation in the morning, is 100 percent strength standing in front of me? That was the difference in perspective I was trying to describe. The operational community would like to see it treated as a unit, does not like to see movement in and out, because, of course, that presents leadership and training challenges, but the reality from the personnel community is that we move people all the time.

Senator BEN NELSON. Do you think that the security of the unit is at risk, in part because of the fact that it's a synthetic unit, as opposed to one that has been training and deployed, maybe, on other occasions, or having at least trained together and have operated together?

Dr. CHU. The cross-leveling, to the extent that it was done in the past, was typically done before the unit training—and speaking now specifically of Reserve units—deployment of Reserve units—before the unit training began. So, it should be completed before the training occurs. The training by itself provides an opportunity for the unit to come together and to understand how it's going to work as an effective single body.

Further, this is the personnel community's perspective; it depends, obviously, on the practice and the issues that occur on the battlefield—but we do send replacements to units in order to bring them back to the strength at which they need to be in order to operate effectively. So, again, there's always an integration and leadership challenge when that occurs.

Mr. HALL. Could I comment just a second on that?

Senator BEN NELSON. Yes, please.

Mr. HALL. In my Active Duty time, I commanded a lot of units and a lot of squadrons, and deployed frequently, and I never deployed with the same unit the next year that I had the year before. I found that the single most important factor in success of a unit, and cohesion, is leadership. You were given new people. You were expected to exert leadership.

Senator BEN NELSON. Okay, thank you.

Do you feel that our troops being deployed have adequate training, equipment, and preparation to be deployed now?

Dr. CHU. Yes, sir, that is our standard, that they should have the gear they need when they are in theater. That does not always mean they have that same gear back in the United States; and so, there may be fewer items to train on in the training status. They do complete, typically, training in Kuwait before they go into Iraq. So, again, how they leave the United States is not quite the status that they achieve when they arrive in the actual area of operations.

But, yes, sir, that is our standard. They should be.

Mr. HALL. I might mention I went to Kuwait, up on the Udairi Range, just before our troops pass over into Iraq, and I went out and asked each and every one of them, "Do you feel you have the equipment? Do you feel you have the training?" Then, what we do is visit the units after they come back, and ask them, "What training did we give you that was not so useful? What was the most useful training?" So, we use that as a measure, and I'm confident that we are very close in what we need to do, based upon their answers, that they have the right equipment and the right training, both before and after they go.

Senator BEN NELSON. Okay. Thank you.

Secretary Jones, in terms of what we're attempting to do to smooth the relationships between the DOD and VA agencies, do you think we're on the right road to getting that smooth, so that all those differences can be either corrected or modified, to some extent, so that they're not as burdensome to our forces?

Dr. JONES. Mr. Chairman, I think with the Joint Executive Council (JEC), the Health Executive Council (HEC), and the Benefits Executive Council (BEC) we have a closer working relationship with the VA. We have a strategic plan, which has over 20 elements and goals in it, which we monitor every day. If you look on the ground, as well as in headquarters, the local folks in the markets and the local folks here in town want to make it work, and I believe we're making significant progress.

Senator BEN NELSON. We all understand that Dr. Chu's been here nine times, and I suspect it'll be ten, and we'll be asking you for an update, at that time, expecting to hear that all these things have been resolved. [Laughter.]

Dr. JONES. Yes, sir.

Senator BEN NELSON. All right. Thank you. The first panel is excused.

Dr. CHU. Aye-aye, sir. Thank you. [Pause.]

Senator BEN NELSON. At this time, I'd like to welcome our second panel, consisting of the military personnel chiefs of each of the military branches: Lieutenant General Michael D. Rochelle, the United States Army; Vice Admiral John C. Harvey, Jr., the United States Navy; Lieutenant General Ronald S. Coleman, the United States Marine Corps; and Lieutenant General Roger A. Brady, the United States Air Force.

We salute your dedicated service to your respective Service, and to the men and women of the armed services and their families, and I say welcome and thank you for being here today.

At this point, we would accept your oral comments. If you have written comments that you want to be submitted, please let us know and we will submit them for the record, unless you state otherwise.

General Rochelle, please let us know what's happening in your branch.

STATEMENT OF LTG MICHAEL D. ROCHELLE, USA, DEPUTY CHIEF OF STAFF, G–1, UNITED STATES ARMY

General ROCHELLE. Mr. Chairman, thank you so much for the opportunity.

I'll respectfully submit for the record my written comments.

Chairman Nelson and distinguished members of the subcommittee, thank you for the opportunity to appear before you today representing the more than 1 million young men and women who are proudly serving in this great Army of yours. I am, indeed, privileged and honored to represent them today.

This All-Volunteer Force is proving itself each and every day. I say that for my comrades sitting here—and their coastguardsmen, marines, airmen, and sailors who are serving as well. But, as I speak to you today, nearly 600,000 soldiers are serving on Active Duty in 80 countries, soldiers from every State and territory, soldiers from every corner of this great Nation and country, proudly serving the people of the United States, and doing so with honor and distinction. We are one Army, with Active and Reserve Forces serving together around the globe, and we are truly Army strong.

Success of the All-Volunteer Army starts with recruiting, Mr. Chairman. We compete today for very high quality human resources in a tough market, a robust economy, and with pressures from both industry and an improving economy, and very low unemployment rates.

In 2006, the Army achieved great success, with more than 175,000 qualified men and women answering the call to duty. The Active Army enlisted more qualified personnel, men and women, than any previous year since 1997. This year, the total Army recruiting mission is over 171,000 recruits; as always, exceeding the combined recruiting missions of all the other Services.

The Army National Guard and the Army Reserve are applying several innovative measures to bring fully qualified men and women into the Reserve component. Last year, the Army National Guard achieved its best recruiting effort in the last 14 years, and we will closely monitor Reserve component, Army Reserve recruiting, as well as National Guard recruiting, and ensure that they are resourced for success, employing a number of best practices of the Army National Guard to bolster Army Reserve recruiting efforts.

With over half the year remaining, I remain very optimistic that we will exceed our goals in the Active component and the National Guard.

Fiscal year 2006 presented challenges in healthcare recruiting, and I would be delighted to address those, subject to your questions.

Any recruiting program is most effective when equipped with the right mix of incentives. The Army's program is no different. Thanks to this body, sir, many new incentives enacted include the increased enlistment age, which brought nearly 600 new soldiers into the Army; the expansion of the $1,000 referral bonus to $2,000, which gained us nearly 2,500 qualified soldiers in uniform; and the increase in the bonuses above $20,000—cash bonus—which resulted in over 5,000 soldiers enlisted. Additionally, the Army implemented the first pilot program, granted us under the National Defense Authorization Act (NDAA) for Fiscal Year 2006—recruiting incentive authority, called the Recruiter Incentive Pay Program. This year, we will implement the next, and that is the Officer Accession Bonus Program. With congressional support for the re-

quired incentive trust fund this year, the Army expects the Army Advantage Fund to be a large market impact for Army recruiting.

Finally, I'd like to assure you of the quality of our soldiers. Without exception each soldier who enlists in the Army is qualified for his or her military occupational speciality. Since the inception of the All-Volunteer Force, we have maintained the DOD-quality standards which are much more stringent than standards in statute. We do not, and will not, seek different standards.

Thanks to your assistance with recruiting incentives, and thanks to the patriotism of the next greatest generation, we are meeting our recruiting goals and will grow the force to 547,000 by fiscal year 2012.

Our efforts to maintain your All-Volunteer Army require your continued support, Mr. Chairman. For the appropriate levels of authorities and resources, we need full support for the funding requested in the fiscal year 2007 supplemental and the fiscal year 2008 President's budget to support the Army manning requirements. I ask for your continued commitment to encourage all who are qualified to answer this Nation's call to duty.

Once again, sir, I thank you for the opportunity to appear before you today.

[The prepared statement of General Rochelle follows:]

PREPARED STATEMENT BY LTG MICHAEL D. ROCHELLE, USA

Chairman Nelson, Senator Graham, and distinguished members of the subcommittee, thank you for providing me opportunity to appear before you today on behalf of America's Army. The Army, over 1 million strong, serves proudly around the globe. As our Army is growing to meet today's demands, we are grateful to this committee for improving incentives and bonuses to attract and retain the very best soldiers. I take tremendous pride in this All-Volunteer Force and all it has accomplished for our great Nation.

This is an All-Volunteer Force. We compete in a very tough market within a robust economy. We rely on your support to help the Army grow. Your continued support gives us the necessary tools to attract and retain the soldiers who serve our great Nation. Through your continued support, our Army will grow to meet the needs of the Nation and to defend America in the long war on terrorism.

Our soldiers are this generation's heroes. They continue to make history, demonstrating to America that her Army is the best in the world. This generation shows that America can call upon the All-Volunteer Force time and time again to persevere in prolonged conflict. With your continued assistance, we will achieve the right mix of incentives to compensate, educate, and retain the best and brightest our Nation has to offer.

The soldier remains the centerpiece of our Army. As I speak to you today, more than 600,000 soldiers serve on active duty. We have more than 243,000 soldiers—Active, Guard, and Reserve—in 76 countries, and another 8,000 soldiers securing the homeland. Soldiers from every State and territory . . . soldiers from every corner of this country . . . serve the people of the United States with honor and distinction. Soldiers fight in Iraq and Afghanistan in support of the global war on terrorism. Soldiers participate in homeland security activities. Soldiers support civil authorities on a variety of missions within the United States.

More than ever before, we are one Army, with Active and Reserve Forces serving together around the globe.

Additionally, a large Army civilian workforce (over 240,000), supports our Army—to mobilize, deploy, and sustain the operational forces—at home and abroad. Our soldiers and Department of Army civilians remain fully engaged around the world. They remain committed to fighting and winning the global war on terrorism.

With help from this body, the Army continues to meet challenges in the Human Resources environment. In recent years, your support for benefits, compensation, and incentive packages ensured the recruitment and retention of a quality force. Today, I will provide you with an overview of our current military personnel posture and programs, and the status of our benefits and compensation packages as they relate to building and maintaining a quality force.

RECRUITING

Our Nation is blessed with the world's finest Army. It is an All-Volunteer Army that is being recruited under conditions not foreseen when the draft ended in 1973. Our soldiers must be confident, adaptive, and competent. They must be able to handle the full complexity of 21st century warfare in our combined, joint, and expeditionary force. They are the warriors of the 21st century and they became heroes when they enlisted.

Recruiting these qualified young men and women in a highly competitive environment is extremely challenging. Competition with industry, an improving economy, lower unemployment, decreased support from key influencers, the media, and the continuing global war on terrorism, present significant challenges. Thanks to your support and the efforts of our recruiting force, the Army achieved great success in fiscal year 2006. The fiscal year 2006 recruiting year ended with the Active component making over 100 percent of its mission, U.S. Army Reserve accomplishing 99.5 percent, and the Army National Guard accomplishing 98.6 percent. This data reflects the U.S. Army Recruiting Command recruiting mission accomplishments and does not include accessions attributed to Active component to Reserve component or Individual Ready Reserve (IRR) to Selected Reserve Transitions. These results are a significant improvement over fiscal year 2005 recruiting results. Although these successes are noteworthy, we must all remain committed to meeting the challenges in the foreseeable future.

To date, the Active Army and the Army National Guard have met their recruiting missions. The Active component finished February 2007 with a year-to-date achievement of 108 percent. The United States Army Reserve finished February 2007 with a year-to-date achievement of 94 percent. The Army National Guard finished February 2007 with a year-to-date achievement of 105 percent. Two components, Active and National Guard, are projecting successful annual missions for fiscal year 2007. The mission of the Army Reserve remains the most challenging of all three Army components this year. U.S. Army Recruiting Command and the Department, with help from the Army Reserve Command, are working together on incentives and policy changes to mitigate risk and increase success. With just over one half of the recruiting year remaining, the Army is optimistic we will meet our recruiting goals.

Some Members of Congress have expressed concern over the quality of the force, when viewed by the Department of Defense (DOD) standard of high school diploma graduates and Test Category IV soldiers. However, all soldiers who enlist into the Army are qualified for their respective military occupation specialties—their jobs. No exceptions.

Across America, there is an increasing trend in alternatives to the traditional high school. Our ability to recruit in the current environment—which is unprecedented in the history of the All-Volunteer-Force—requires innovation, as well as perseverance.

We must recognize that those who volunteer to serve during these difficult times, have distinct qualities all their own. Once accepted, the Army molds them into a precious resource—the American soldier.

INCENTIVES AND ENLISTMENT BONUSES

The Army must maintain a competitive advantage to attract high quality applicants. Bonuses are the primary and most effective competitive advantage the Army can use to attract quality soldiers. These bonuses help us to compete within the market and prepare for future conditions. The bonuses and incentives are key in filling critical Military Occupation Specialties in an increasingly college-oriented market and meet seasonal ("quick-ship") priorities.

College attendance rates are at an all-time high and continue to grow. With nearly 70 percent of the Nation's high school graduates intent on college attendance within the year of graduation, the Army College Fund is a proven performer. The Army College Fund allows recruits to concurrently serve their country while meeting their desires to attend college.

The Loan Repayment Program, with a maximum of $65,000 payment for already accrued college expenses, is another incentive we offer within this competitive market. This Loan Repayment Program is the best tool for those with college education credits and student loans. Over the past 4 years, approximately 27 percent of Army recruits have some post-secondary education credits and we expect that trend line to increase.

Other recently passed legislation assisting our recruiting mission includes: the increased enlistment age which brought nearly 600 soldiers into the Army; the expansion of the $1,000 Referral Bonus to $2,000 increased accessions by nearly 2,500

qualified soldiers since enactment last year; and the increase in bonuses above $20,000 resulted in over 7,200 soldiers signing up.

Further assisting our efforts to attract and retain officers, is the expanded Student Loan Repayment Program. It now includes officers, and permits repayment of a broader variety of student loans.

The temporary Recruiting Incentives Authority under the National Defense Authorization Act (NDAA) of 2006 permits the Department of the Army to develop and test four new pilot programs for recruiting. The Army implemented the first pilot program, the Recruiter Incentive Pay Program, on June 6, 2006, and plans to implement the second, an Officer Accession Bonus Program not later than this summer.

The Army Advantage Fund (AAF) is a third incentive. It will provide a choice between a down payment for a home loan or seed money for a small business loan to new soldiers. The Army expects AAF to be a major recruiting market attraction—the next Army College Fund. Key to establishment of the AAF is the creation of an investment fund. With congressional support for the Army Incentive Fund, currently projected for NDAA 2008, we will move another step in the right direction toward growing the All-Volunteer Force.

Collectively, the authority to pilot these incentives are key to fiscal year 2007 mission achievement, and will set conditions for continued success in fiscal year 2008 and beyond. We rely heavily on your continued support for the authorities and resources necessary to recruit and retain the All-Volunteer Army.

ENLISTED RETENTION

The Active Army achieved all retention goals for the past 9 years, a result that can be directly attributed to the Army's leadership and the motivation of our soldiers to accept their "Call to Duty." The Active Army retained 67,307 soldiers in fiscal year 2006, finishing the year 105 percent of mission. The Army Reserve finished the year achieving 103 percent of mission and the Army National Guard finished at 118 percent of mission.

In fiscal year 2007, the Active Army must retain 62,200 soldiers to achieve overall manning levels. This year's retention mission is just as challenging as the previous year's. We believe however, that we will accomplish this mission. Thus far, the Active Army achieved 109 percent of its year-to-date mission, the Army Reserve achieved 110 percent of its year-to-date mission, and the Army National Guard achieved 127 percent of its year-to-date mission. Once again, a robust bonus program is important to continuing success in the Army's retention goals.

We must be no less innovative in our incentives to retain soldiers to fight the ongoing global war on terrorism. We continue to review the impact of our Reenlistment Bonus Programs on retention and additionally use a deployed reenlistment bonus as a tool to attract and retain quality soldiers with combat experience. This bonus targets eligible soldiers assigned to units in Iraq, Afghanistan, and Kuwait. Soldiers can receive a lump sum payment up to $15,000 to reenlist while deployed to Iraq, Afghanistan, or Kuwait. The average lump sum payment is currently $10,400. All components benefit from this program, and results show the highest rates of retention among deployed soldiers.

Retention rates of units engaged in Operations Enduring and Iraqi Freedom continue to exceed 100 percent. During fiscal year 2006, the 4th Infantry Division and the 101st Airborne Division achieved 124 percent and 132 percent of their respective retention missions while deployed. Currently, elements of the 1st Armored Division are deployed and have achieved 137 percent of their retention mission.

Moreover, the Army has not seen a decline in retention rates from units that have deployed multiple times. For example, the 10th Mountain Division has deployed elements of its command several times since 2001, and has currently achieved 162 percent of its retention mission.

Although we have seen no downward trends in overall retention, we monitor our mid-career reenlistment rates closely. We adjusted our incentive programs to target this population of soldiers. Multiple deployments appear to be impacting mid-career soldiers between their 6th and 10th year of service more than any other population. Retention rates of mid-career soldiers has increased from 82 percent to over 93 percent in March. We do know that soldiers are most concerned with the limited time at home between deployments. They would like more predictability on deployments, and more time, at least 24-months with their families, before their next deployment.

Additionally, all components employ positive levers, including Force Stabilization policy initiatives, updates to the reenlistment bonus program, targeted specialty pays, and policy updates to positively influence the retention program. We will achieve fiscal year 2007 retention success in the Active Army, the Army National Guard, and the United States Army Reserve.

OFFICER RETENTION AND ACCESSIONS

To man the future force, the Army must increase company grade officer retention to keep up with the growth brought about by modularity. Although the fiscal year 2006 loss rates for company grade officers was below the 10 year average of 8.5 percent, we must continue to reduce this loss rate to 5 percent. A retention strategy focused on near-, mid-term, and long-term retention will assist our Army to retain more of its best and brightest officers.

The Army has successfully grown the officer corps over the last several years through increased officer promotion selection rates and earlier pin-on time to captain and major. For example, the captain promotion pin-on time has dropped from 42 months to 38 months, and the major promotion pin on time dropped from 11 years to 10 years. Additionally, promotion selection rates to captain and major are between 95–98 percent. While promotion rates are high, we continue to select the "best qualified" officers.

The Army developed a menu of options that is available to officers upon promotion to captain and prior to their completion of their active duty service obligation. This menu provides officers a choice of incentives in exchange for an additional 3 years of active duty service. Officers can elect to get their post or branch/functional area of choice; attend a military school or obtain language training; attend a fully-funded graduate degree program; or receive a $20,000 Critical Skills Retention Bonus.

Further, the Army implemented a pre-commissioning program in fiscal year 2006, allowing cadets to select a branch, post, or graduate school for an additional service obligation of 3 years. This program has proven successful in just 1 year, with 1,100 participating in fiscal year 2006 and 1,600 expected to participated in fiscal year 2007. The Army expects this program to drop loss rates of United States Military Academy (USMA) and Reserve Officers' Training Corps (ROTC) scholarship source of commissioned officers beginning in fiscal year 2010 when these officers would have completed their normal ADS0 (4 years for ROTC scholarships and 5 years for USMA). Now, these officers will retain at 7 and 8 years respectively.

USMA cadets may agree to serve 3 years beyond their 5-year obligation; scholarship ROTC cadets agree to serve their 4-year obligation plus an additional 3-year of active duty service; and nonscholarship officers agree to serve their 3-year active duty obligation plus additional 3 years. In fiscal year 2006, over 1,100 cadets from USMA and ROTC signed up for this program. In fiscal year 2007, we expect over 1,500 cadets to sign up for one of these programs, increasing the retention rate for USMA and ROTC year group cohort to 58 percent by year 10.

In 2006, we offered an additional 200 fully funded graduate school opportunities to serving captains, beyond the 412 graduate school opportunities we previously provided. Officers participating in this program serve an additional 3 months for each month they attend school. We plan to send another 200 officers to graduate school in academic year 2007.

In October 2006, the Army established an Officer Retention Branch as part of a new campaign designed to retain more of our best officers. Unit commanders are getting more involved in officer retention. We intend to manage this program like we manage the enlisted personnel retention program.

The Army is confident that the implementation of these strategies will rapidly grow the officer force and will enable us to meet our manning needs by fiscal year 2010 vice fiscal year 2013 or later if we relied on traditional approaches for growing the force.

To meet the long-term needs of a larger officer corps, the Army is increasing its Army Competitive Category (ACC) officer accession mission by up to 300 officers each year, over the next 3 years. Accessions will increase from 4,600 in fiscal year 2006 to 4,900 in fiscal year 2007, 5,200 in fiscal year 2008 and 5,500 in fiscal year 2009 and beyond. This increase in officer accessions will ensure the Army has enough captains and majors 4–10 years from now.

In fiscal year 2006, IAW title 10 authority, USMA increased the number of officers they accepted into their 4-year degree program. This will result in an additional 100 officers produced through USMA in fiscal year 2010 and beyond.

In addition, we are leveraging other accession programs such as the "Blue to Green" Inter-service Transfer Program. To date, we have accessed over 325 officers into the Army from the Air Force, Navy, and Marines. We expect to access another 200 officers from the other Services in fiscal year 2007. We have also partnered with the Merchant Marine Academy and have contacted over 10,000 former officers that have separated in the past 24-months to offer them the opportunity to serve again.

Through continued service, approximately 250 Reserve component officers volunteered to transfer to the Active component. Additionally, we encourage those who served honorably to serve again through a retiree recall or a call to active duty.

Today, we have approximately 700 retirees serving on active duty in a retiree recall status.

Our current officer accession mission is the highest in 30 years. To assist in meeting this mission we will rely heavily on OCS. Though we increased accessions in USMA (by 100 in fiscal year 2006) and ROTC, those commissioning sources have longer lead times to produce officers. OCS is critical in meeting today's manpower needs. Since it takes time to increase production through USMA and ROTC (e.g. 2–4 years), as a short-term measure, the Army intends to maximize production from Federal OCS with 5 companies. Federal OCS production is expected to increase from 1,435 in fiscal year 2006 to 1,735 in fiscal year 2007 and 1,985 in fiscal year 2008 to fiscal year 2010. The OCS bonus will help attract NCOs to go to OCS and become officers, especially as we increase the fiscal year 2008 OCS mission from 1,700 to 1,950. Further, increases in ROTC production are planned over the next 4-years from 4,000 in fiscal year 2007 to 4,200 in fiscal year 2008, 4,500 in fiscal year 2009 and 5,100 by fiscal year 2010. Provided resources continue to flow, ROTC production is expected to reach 5,350 by fiscal year 2011. As ROTC production increases, more officers will be sent to the Reserve components and we project that we will be able to begin reducing Federal OCS production by roughly 200.

STOP LOSS

The global war on terror demands trained, cohesive, and ready units. Stop Loss is a management tool that effectively sustains a force that has trained together, to remain a cohesive element throughout its deployment. Stemming from statutory authority, (section 12305, title 10, U.S.C), the Army's Stop Loss policy is very limited in size and for a very short duration on average. Losses caused by noncasualty oriented separations, retirements, and reassignments have the potential to adversely impact training, cohesion, and stability in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF).

Although there is not a specific end date for the current use of Stop Loss, the Army is committed to minimizing its use. Initiatives such as Force Stabilization (3-year life cycle managed units), modularity, and the program to Rebalance/Restructure the Active component/Reserve component for mix should alleviate stress on the force and will help mitigate Stop Loss requirements in the future.

INDIVIDUAL READY RESERVE MOBILIZATION

The mission of the Individual Ready Reserve (IRR) is to provide a pool of soldiers who are "individually ready" for call-up. In January 2004, the Army began our current IRR mobilization effort. We use the IRR primarily to fill deploying Reserve component forces supporting OIF and OEF, and to fill individual augmentation requirements in Joint organizations supporting combatant commanders.

The IRR has improved the readiness of deploying Reserve component units and has reduced required cross-leveling from other Reserve component units. This effort allows the Army to preserve units for future operations.

As of March 11, 2007, there are 2,071 IRR soldiers on active duty supporting the global war on terrorism—234 are supporting Worldwide Individual Augmentation requirements, 208 are supporting the 09L Linguist Program, 2 are replacements, and 1,627 are fillers. Another 1,475 IRR soldiers have received mobilization orders, and are pending mobilization between now and January 27, 2008.

The IRR also contributed to the manning of joint headquarters elements such as the Multi-National Force-Iraq, Combined Forces Command-Afghanistan, and others. This talent pool allows the Army to balance the contributions of the Active and Reserve components in these headquarters.

The Army will continue to use the IRR and is implementing several initiatives to transform the IRR into a more viable and ready prior-service talent bank.

Until now, a large number of IRR soldiers were either unaware of their service obligations or were not qualified to perform further service. Soldiers within the IRR are now identified as "Individual Warriors." We initiated a program where IRR soldiers will participate in virtual musters, attend annual readiness processing, and participate in training opportunities to maintain their military occupational specialties.

To improve soldier understanding of service commitments, the Army will develop and deliver expectation management briefings and obligation confirmation checklists to all soldiers at initial enlistments/appointments and, again, during transition beginning 3rd quarter 2007. The Army is also conducting systematic screening to reconcile records and identify non-mobilization assets which will likely result in a reduction in the current IRR population and aid in establishing realistic readiness reporting.

MILITARY BENEFITS AND COMPENSATION

A strong benefits package is essential to recruit and retain our quality force. The administration and Congress have provided very competitive compensation and entitlements programs for our soldiers and their families and we sincerely appreciate this support to our soldiers and families.

With help from Congress, the Army continues to develop programs to address our unique challenges with recruiting and retention. Congress has provided us the flexible tools we need to encourage our young men and women to enlist in the Army. The referral bonus and the bonus for servicemembers who agree to transfer between Armed Forces are two critical authorities that provide the Army the necessary assistance to meet its recruiting goals.

The extension of the pay table beyond 30 years and lifting the cap on retired pay percentage multiplier has enabled additional successes with retention.

The Army regularly looks for ways to compensate our soldiers for the hardships they endure while serving under the most dangerous conditions. The Department has requested an increase in Hardship Duty Pay from $750 to $1,500 and authorized payment in lump sum. We are continually seeking ways to appropriately compensate soldiers for the hardships they endure.

The Army appreciates your emphasis and interest in soldiers and families, and their need for financial support when they suffer a combat injury or become a casualty. Soldiers perform best when they know their families are in good care. Many of our surviving families remain in Government housing for an extended period during their recovery from the loss of their spouses. This facilitates a transition from the Service, and allows their children to continue the school year with the least amount of disruption. The changes to survivor benefits ensure all soldiers and their families are treated fairly and equitably. The Army also implemented the Combat-related Injury Rehabilitation Pay (CIP) and continues to monitor pay and personnel issues for our wounded warriors. Recent enhancements to survivor benefits and other entitlements for our wounded soldiers demonstrate recognition of their sacrifices and a commitment to care for our own.

WELL BEING

A broad spectrum of services, programs, and initiatives from a number of Army agencies provide for the well-being of our people while supporting the combatant commander in conducting Joint and coalition warfighting missions. Our well-being efforts are focused on strengthening the mental, physical, spiritual, and material condition of our soldiers, civilians, and their families, while balancing demanding institutional needs of today's Army.

SEXUAL ASSAULT

The Army continues to operate and improve its comprehensive Sexual Assault Prevention and Response (SAPR) Program. Its primary goal is to create a climate where soldiers live the Army Values. Such a climate does not tolerate sexual assault crimes or attitudes and behaviors which condone them. Further, the climate encourages soldiers who have been victims of assault to come forward, without fear, knowing they will receive the help and care they deserve.

Calendar year 2006 represents the first full year the Army SAPR had Sexual Assault Response Coordinators (SARC, civilian), military deployable SARC advocacy support, and the restricted reporting option. These changes allow soldiers to receive medical care, counseling, and advocacy services without undergoing a criminal investigation.

Based on the initial assessments of the program, the Army has made significant progress, including: the publication of a comprehensive policy; the expansion of the victim advocacy component of the program; and the proliferation of required training throughout Army units, Army schools, and Army response groups.

Recently reports of sexual assaults have risen within the Army. While this overall increase in reported sexual assaults is of concern, the Army attributes this rise partially to the implementation of the Army's SAPR Program and the increasing culture of awareness and response. To date, our efforts have empowered more soldiers to come forward and report these crimes. Our leaders will continue to hold offenders accountable and ensure victims receive the care they need. Over 42 percent of all sexual assault investigations completed by the Criminal Investigation Division (CID) in 2006 were dismissed as unsubstantiated, unfounded, or lacking sufficient evidence. In 2006, there were 1,618 reported cases across the Army. This represents a 30 percent increase over 2005, and includes 300 restricted reports. Of the 515 calendar year 2006 case dispositions where the commander could take action, over one

quarter (26 percent, 136 case dispositions) were completed by December 31, 2006. The remaining 74 percent (379) are still pending.

While the increase in reported cases may not represent an increase in the number of actual assaults, it does indicate the magnitude of a problem that continues to exist. Sexual assault has consistently been cited as the most under-reported violent crime in the United States.

We will persist in our efforts to improve the Army's prevention efforts in addressing sexual assault. As we execute the Army's SAPR Program and we continue to assess its effectiveness, we will make every effort to improve it and make further progress toward our goal of eliminating sexual assault in the Army.

SUICIDE PREVENTION PROGRAM

The loss of any American soldier's life is a great tragedy and a matter of concern regardless of the cause. In the case of suicide, the United States Army is committed to providing prevention and intervention resources.

For 2006, the Army sustained 98 active duty confirmed suicides (with 3 possible cases still pending), 88 in 2005, 67 in 2004, 78 in 2003, 70 in 2002, and 51 in 2001. Although experiencing a relatively high number of confirmed suicides since the beginning of the global war on terrorism, the Regular Army average rate per 100,000 soldiers is 11.3 for the last 5 years (2001–2005), which is lower than the rate of 12.1 that existed prior to the war. The Regular Army rate is also considerably lower than the national demographically-adjusted rate of 19.9 per 100,000.

Our goal is to provide our soldiers and families the best available support to overcome the stresses that military service entails. We continue to work through training, counseling, and intervention measures to help find alternative and appropriate ways of stress management. Our goal is to minimize suicidal behavior and subsequently the risk of suicides across the Army.

U.S. ARMY WOUNDED WARRIOR PROGRAM

Soldiers suffering from severe injuries or illnesses in support of the global war on terrorism deserve the highest priority from our Army for support. These heroes need services associated with healing, recuperation and rehabilitation, evaluation for return to duty and, if required successful transition from active duty to civilian life. The Army Wounded Warrior Program takes to heart the Warrior Ethos, "I Will Never Leave a Fallen Comrade." To date, the U.S. Army Wounded Warrior Program (AW2) Program assisted over 1,500 soldiers. As soldiers progress through their care and rehabilitation, AW2 facilitates communication and coordination among the soldier, their families, and relevant local, Federal, and national agencies and organizations.

The soldiers and their families gain information concerning available resources and opportunities for their future. Additionally, the soldiers gain priority access to services they may require through the assistance of a dedicated Soldier Family Management Specialist (SFMS). Since October 2005, we increased the number of SFMS from 9 to 47, with plans to hire an additional 2 SFMS. This reduces the average caseload to 32 soldiers for every SFMS. Our SFMS are currently embedded in 11 Military Medical Treatment Facilities and 16 VA Medical Centers located throughout the United States. We anticipate future expansion. This decentralization of operations allows our SFMS to co-locate with our soldiers and families nationwide for optimal support.

To date, AW2 assisted 34 soldiers for Continuation on Active Duty or in an Active Reserve Status (COAD/COAR). In conjunction with the Soldier's Career Managers at the U.S. Army Human Resources Command, a 5-year assignment plan was developed for each soldier.

AW2 actively seeks employment and educational opportunities for our soldiers and their families. During the past year, AW2 conducted more than 120 office calls with interested employers. An interactive geo-employment locator is included in the AW2 Web site. AW2 participated in many Federal and State sponsored conferences and seminars to remain current on the latest developments and programs to assist the severely injured soldiers. Additionally, the AW2 staff networks with grass roots community organizations to discover new possibilities for the soldiers.

To ensure soldiers receive the best treatment available, the AW2 program has several initiatives working at this time. Initiatives include a third Wounded Warrior Symposium tentatively scheduled for summer or fall 2007, and the implementation of a Pilot Program with the National Organization on Disability (NOD). This program aligns an employment expert with a Soldier Family Management Specialist to enhance their ability to assist soldiers seeking employment.

Additional initiatives include a cooperative review with the Department of Veterans Affairs (VA) of the current transition process of our soldiers from the military to VA health care system. AW2 is involved with the Veterans Advisory Committee on Rehabilitation, The Surgeon General's Traumatic Brain Injury Task Force, the Physical Disability Evaluation Transformation Initiative and the Office of Secretary of Defense/Health Affairs Family Transition Initiative. AW2 is facilitating a DOD sanctioned study by the RAND Corporation to learn about severely injured and wounded soldiers' experiences in returning to duty.

PHYSICAL DISABILITY EVALUATION SYSTEM

Consistent with the Vice Chief of Staff of the Army's action plan to fix the infrastructure of the current disability evaluation system, the Army's Physical Disability Action Plan is well underway and moving toward full implementation. We are committed to the well-being of our soldiers and are working toward the goal of a seamless transition between the Army and the VA. Our goal is to streamline the process and to eliminate confusion for our soldiers and their families. The Human Resources Community is actively engaged and focused on four objectives, which include: equity for soldiers in the disability rating process; disability system infrastructure support improvements; timely and accurate administrative processing and enhanced information dissemination. Additionally, the Army leadership established the Task Force Med Hold Brigade and is rapidly resourcing many of the personnel, infrastructure, and support needs originally identified by the senior leadership. We are ensuring that our wounded warriors are treated the way they so richly deserve and the way the Nation rightfully expects. We are grateful to Congress for your concern and attention paid to soldiers—and will continue to keep Congress informed as we improve these identified challenges.

CENTCOM REST AND RECUPERATION LEAVE PROGRAM

A fit, mission-focused soldier is the foundation of our combat readiness. For soldiers fighting the global war on terrorism in the USCENTCOM area of responsibility, the Rest and Recuperation (R&R) Leave Program is a vital component of their well-being and readiness.

Every day, flights depart Kuwait City International Airport carrying hundreds of soldiers and DOD civilians to scores of leave destinations in the continental United States and throughout the world. Such R&R opportunities are essential when units are deployed and engaged in intense and sustained operations. Since September 25, 2003, a total of 460,850 soldiers and DOD civilians have participated in this highly successful program. They benefit from a break from the tensions of the combat environment and from the opportunity to reconnect with family and loved ones. The R&R Leave Program is an integral part of operations and readiness, and is a significant contributor to our soldiers' success.

DEPLOYMENT CYCLE SUPPORT

Deployment Cycle Support (DCS) is a comprehensive process that ensures soldiers, DA civilians, and their families are prepared and sustained throughout the deployment cycle. It provides a means to identify soldiers, DA civilians, and families who may need assistance with the challenges inherent to extended deployments. The goal of the DCS process is to facilitate soldier, DA civilian, and family well-being before, during, and after the deployment cycle.

All soldiers deployed away from home station for 90 days or more complete the DCS process. Services for DA civilians and families are integrated in every stage of the process, and they are highly encouraged to take advantage of the resources provided.

As of February 7, 2007, 480,704 soldiers completed the in-theater redeployment stage DCS tasks.

EQUAL OPPORTUNITY

Recent newspaper reports and a Federal Bureau of Investigation (FBI) report concerning gangs leave the impression that gang activity in the U.S. Army is widespread and out of control. Reviews of both the recent media and FBI reports indicate that the problem was often overstated. In 2006, CID adopted the National Crime Information Center definition of a Gang and Gang Activity. This led to an increase in reporting over previous years. While the Army cannot state with certainty that no gang members exist within our Army, within our Army communities there are no data to support the presence of gang activities. The overall assessment by CID of gang activity threat in the Army remains low. CID and Military Police

present awareness briefings that identify possible gang association by soldiers. Additionally, education, awareness, and vigilance remain the best tools in combating gang activities and involvement by soldiers and family members.

RETIREMENT SERVICES

Once a soldier, always a soldier. Our efforts extend beyond our active duty population. The Army counts on its retired soldiers to continue to serve as mobilization assets and as volunteers on military installations. Retired soldiers are the face of the military in communities far from military installations. As key influences they often act as adjunct recruiters, encouraging neighbors and relatives to become part of their Army. They speak from experience.

Retired soldiers and family members are a force of more than one million strong with nearly 800,000 retired soldiers and their spouses and family members receiving retired pay.

CONCLUSION

America's Army is strong. We continue to meet our worldwide commitments and provide the best led, best trained and best equipped soldiers to combatant commanders. We need the continued support of Congress for the resources to maintain and grow our Army over the long war.

Just as important is your support as national leaders to affect influencers and encourage all who are ready to answer this Nation's call to duty. To ensure our Army is prepared for the future, we need full support for the issues and funding requested in the fiscal year 2007 supplemental and the fiscal year 2008 President's budget to support the Army manning requirements given the current operational environment.

I thank you for the opportunity to appear before you today and I look forward to answering your questions.

Senator BEN NELSON. Thank you, General.

Admiral Harvey?

STATEMENT OF VADM JOHN C. HARVEY, JR., USN, CHIEF OF NAVAL PERSONNEL, UNITED STATES NAVY

Admiral HARVEY. Thank you, sir.

I have submitted a statement and would request that it be entered in the record.

Senator BEN NELSON. It will be.

Admiral HARVEY. Sir, again, thank you for the opportunity to appear before you today. We are extremely grateful for your sustained support for the United States Navy which enables us to get the job done for this Nation every day around the globe. The men and women of our Navy continue to perform exceptionally well, helping to bring certainty to an uncertain world. Our Navy total force continues to perform its traditional at-sea role as we see today with the dual battlegroup operations being carried out in the Persian Gulf at a particularly sensitive time, while increasing our support in nontraditional missions, as we see today with over 12,000 sailors on the ground in Iraq and Afghanistan contributing to operations there. Our challenge is clear: sustain our core capabilities and readiness while building a future fleet increasingly capable of applying influence from the sea, in the littorals, and ashore.

For the past 5 years, our focus has been on sizing the force, ensuring we had the right number of billets and filling every billet with a sailor. Today, we are focusing on shaping and stabilizing the force, ensuring we have the right fit between the knowledge, skills, and abilities required by a billet and those possessed by the sailor filling that billet, ensuring that we can easily adjust both, based on changes in future warfighting requirements. This shift in focus

from fill to fit requires profound changes in the way we do business, in our recruiting, personnel management, distribution, training, and compensation processes, in order to meet the challenge of delivering tomorrow's force.

It is one of my core beliefs that Cold War era recruiting and retention strategies will not sustain us into our future, given a shrinking talent pool with decreased propensity for military service. Changing demographics reflecting significant growth in immigrant and minority populations present both challenges and great opportunities to capitalize on America's growing diversity, and will yield a stronger, more cohesive, and more capable fighting force. Low unemployment and sustained economic growth are increasing the competition for the best and brightest talent in our Nation. Meeting our recruiting goals for a high quality force that we must have in the future is becoming increasingly challenging, particularly in specific critical skill areas.

Retention dynamics are also changing, as a new generation of sailors, influenced by a variety of career choices, offering portable incentive packages and exceptional training and education opportunities are less likely to remain with a single employer for a long career. They will opt instead for frequent job changes over that career.

While our existing pay and compensation, personnel management, and retirement systems have served us extraordinarily well over many generations, it is now time to consider comprehensive reform. It is imperative that we establish a competitive, fair, and flexible construct responsive to today's rapidly changing operational and market-based environment. We seek your support for military pay reforms essential to keeping faith with our troops and responding to changing circumstances. Consolidating more than 60 existing special incentive pays into roughly 8 pays, with a sufficient expenditure ceiling, would offer a host of advantages in efficiency, flexibility, and effectiveness.

Improved agility is also needed in our personnel management authorities, policies, and practices. For example, existing Defense Officer Personnel Management Act (DOPMA) grade limitations inhibit our flexibility to align our personnel to current and projected force-structure requirements. We have become a far more joint and senior force, reduced in size, but with a vastly increased warfighting capability. As our end strength stabilizes, our need for more senior and experienced sailors to serve in this joint force continues to increase. We are currently operating at the very limits of our statutory control grade limits. Consequently, we are suppressing billet grades to comply with our statutory constraints.

Similarly, adjustments to military-grade authorities are important in recognizing the contemporary responsibilities of our senior enlisted force, particularly those in the top two enlisted ranks. A modest increase in authorization would address emerging requirements for senior enlisted leadership for an increasing number of high-tech less-manpower-intensive units featuring robust capability.

Limited military personnel demonstration authority similar to that authorized for civilian personnel would allow us to try different approaches to contemporary problems, identify the best of

breed, and present the solution to you in Congress in the course of seeking new legislation. Such pilot authority can accelerate productive change in shaping and developing our military force.

As we build the future Navy and prepare our people to meet the demands of this very dynamic and dangerous world, we will continue to improve total force readiness, stabilize our force, and increase our capability to respond whenever and wherever called upon.

Thank you, again, sir, for your unwavering support for our sailors. I am now prepared to answer any questions you may have, sir.

[The prepared statement of Admiral Harvey follows:]

PREPARED STATEMENT BY VADM JOHN C. HARVEY, JR., USN

Chairman Nelson, Senator Graham, and distinguished members of the Personnel Subcommittee, thank you for providing me with this opportunity to appear before you today.

The one constant in our world today is change. The post-September 11 security environment has extended Navy missions to include both traditional and nontraditional operations. In addition to our core missions we are responding to multifaceted security challenges related to the global war on terror. We find ourselves working with familiar allies, former adversaries, and an expanding set of global partners.

In the past year, 51,943 Active component officers, 293,818 Active component enlisted, 12,740 Reserve component officers, 56,647 Reserve component enlisted, and 174,416 civilians in our Navy helped bring certainty to an uncertain world. They provided "boots on the ground" support to combat operations in Iraq and Afghanistan. They delivered food and shelter to the victims of the earthquake in Pakistan. They fought piracy and participated in Theater Security Operations in the Horn of Africa. They provided medical care and comfort to citizens in Indonesia, Malaysia, Bangladesh and the Philippines. They protected the seas and seized illegal drugs in the Caribbean. They stood watch on ships in the Persian Gulf providing a formidable deterrent to Iran. They flew combat sorties in Operations Enduring Freedom and Iraqi Freedom, provided security for oil platforms and conducted civil affairs missions in Afghanistan.

The men and women of the Navy's Total Force—Active and Reserve sailors, civilians, and contractors—are the United States Navy. In 2006, this nation and the world asked much of the United States Navy—and Navy answered that call.

The challenge for Navy today is to sustain our core capabilities and readiness while at the same time build the future naval fleet and develop a Navy workforce that can operate, fight and lead in a variety of challenging environments. Our goal is to ensure naval power and influence can be applied at or from the sea, across the littorals, and ashore, wherever and whenever required.

The rapidly expanding requirements posed by the Nation's maritime strategy demand that Navy be composed of a more capable and versatile workforce. This workforce is, and will be, a diverse Navy Total Force, collectively possessing the wide array of knowledge, skills and abilities required to deliver critical warfighting capability to the joint force.

We recognize that this requires a profound change in the way we do business—that the recruiting, personnel management, training, and compensation systems of the past will not deliver the workforce of the future.

Recruiting and retention strategies that were effective during the Cold War, when we had a robust labor market, will not sustain us during this long war when there is a shrinking talent pool and decreased propensity to join the military. Major demographic shifts, reflecting an influx of new immigrants and growth in minority populations, will require that we focus on the talent resident in the diversity of our population and how we gain access to that talent. To the degree that we represent our Nation, we are a far stronger, more relevant Navy Total Force.

A stronger economy, with low unemployment and positive economic growth, means there will be greatly increased competition for the best talent in our Nation. Recruiting the Total Force will become even more challenging with slower overall population growth and an aging workforce.

The dynamics of retention have shifted from long-term commitments to a new generation, most of whom expect to change employers, jobs and careers several times in their working life, and are clearly motivated differently than previous generations. They have more choices than ever before, and are more technologically

savvy. They expect innovative and flexible compensation policies, a commitment to continuing education and professional development opportunities.

Our Basic Pay Table that was first conceived in 1922 and an officer personnel management system codified in the late 1970's. Our current military retirement compensation principles were essentially established in 1870 based upon a voluntary retirement of officers at 30 years of service and fixed retirement pay at 75 percent of the officer's base pay. Perhaps it is time to re-examine existing compensation policies with an eye towards establishing a construct that is competitive, fair, flexible, and sufficiently responsive to an ever-changing operational and market-based environment.

As we build the Navy of the future and prepare our people to answer the challenges of our dynamic, dangerous world, we must continue to improve our Total Force readiness, stabilize our workforce, and develop policies that bring forth the promise of our people, ensuring full development of their personal and professional capabilities.

NAVY TOTAL FORCE READINESS

We are a maritime nation. Throughout American history, naval forces have played a key role in fighting wars, defending freedom of the seas, and providing a formidable deterrent to aggression. Our Navy is the world's preeminent sea power. We are always ready and able—anytime, anywhere.

America's All-Volunteer Force has been an overwhelming success. This force has proven to be successful not only during peacetime, but also during sustained periods of conflict. Our Navy Total Force serves because they want to serve. Young Americans are choosing military service, even during these trying and uncertain times. We are attracting better educated and more highly-skilled recruits far more representative of the diversity of our great Nation than at the end of the Vietnam-era draft. The sailors we need are "staying Navy."

In 2006, Navy achieved 100 percent of our Active component enlisted recruiting goal, and 104 percent of our Active component enlisted retention goal. We met 88 percent of our Active component officer accession goal, and 99 percent of Active component officer end strength goal.

Global War on Terror-Centric Communities

While we met individual recruiting and retention goals for most ratings and designators in the Active and Reserve components, our engagement in the long war has increased operational tempo (OPTEMPO) and clearly stressed the readiness of global war on terror-centric communities. These communities include: Naval Construction Force (SEABEEs), Naval Special Warfare (NSW) and Naval Special Operations (NSO) (SEALs, EOD, SWCC), and our health professionals. We have been, and continue to be, concerned about the long-term strength and health of these communities. We have identified programs to help address the challenges, and we are optimistic about meeting future commitments.

Naval Construction Force

Our SEABEE force is in very high demand and continues to be under considerable stress due to the increased number and length of operational commitments. Despite this challenge, the Naval Construction Force (NCF) sets the example in volunteerism, as evidenced by higher-than-planned reenlistment and retention rates, and high volunteer rates for multiple Operation Iraqi Freedom (OIF)/Operation Enduring Freedom (OEF) tours. On average, 18 percent of the NCF Reserve component forces going into OIF/OEF have volunteered for a second or third mobilization to theater. The latest approved Reserve component SEABEE rotation into OIF had a 39-percent volunteer rate for a second or greater deployment.

Navy deployed 8 Active and 12 Reserve Naval Mobile Construction Battalions (NMCB), with their associated regiments (2 Active and 4 Reserve). To meet global war on terror requirements, there are two NMCBs in OIF, one in OEF, one in PACOM, and one with a nominal presence in EUCOM. This is a Total Force deployment of both Active Duty and Reserve NMCBs.

We have identified the need to expand the number of battalions and enhance our Reserve mobilization plans. As a result, for 2007, Navy added a ninth Active component NMCB. We are also pursuing a detailed, phased remobilization plan for use by the Reserve component NMCB in fiscal year 2009. We believe this integrated deployment plan for the NCF is sustainable through fiscal year 2014.

Naval Special Warfare and Special Operations

Our NSW and NSO communities not only face the pressures of high OPTEMPO, but are further stressed by specific recruiting and retention challenges. The health

of the NSW/NSO communities is critical to the Navy's success in the global war on terror and requires us to place special emphasis on the overall readiness of these highly specialized communities.

In 2006, recruiting efforts resulted in NSW/NSO attaining 55 percent of a QDR based increased goal. Navy met 37 percent of Explosive Ordinance Disposal (EOD), 59 percent of SEAL, 65 percent of Special Warfare Combat Crewman (SWCC), and 46 percent of Diver recruiting goals. As of December 2006, we had retained 79 percent of EOD, SEAL, SWCC, and Diver Sailors in Zone A (between 17 months and 6 years of service), 82 percent in Zone B (between 6 and 10 years of service), and 89 percent in Zone C (between 10 and 14 years of service).

To improve recruiting and retention in the NSW/NSO communities, Navy doubled the size of the recruiting force whose primary mission is NSW/NSO accession. We increased Enlistment Bonuses for each of the communities: $40,000 (SEAL), $18,000 (SWCC), $30,000 (EOD), and $25,000 (Diver). SEAL Motivators have been assigned for all 26 Navy Recruiting Districts (NRD) to test and mentor potential NSW/NSO applicants. Each NRD designated a military member to assist SEAL Motivators in supporting applicants.

In 2007, we will take additional steps to enhance NSW/NSO recruiting efforts. Commander, Navy Recruiting Command (CNRC) will reassign additional recruiters to the NSW/NSO recruiting effort. Six selected NRDs will designate one recruiter per zone for NSW/NSO leads identification. This designation realigns 52 recruiters from other recruiting efforts. A SEAL Working Group (SWG) will address all current and future SEAL recruiting issues. The SWG is headed by Navy's senior SEAL officer and CNRC. We are also piloting a NSW/NSO recruit division at Recruit Training Command to increase camaraderie, improve RTC Physical Screening Test (PST) pass rate, and reduce program attrition.

The unique skill sets of the NSW/NSO communities demand the most extensive Navy training, and require exceptionally bright, physically fit and mentally tough individuals. Recently, it has been a challenge to provide a sufficient quantity of qualified applicants able to pass the NSW/NSO PST at Recruit Training Command (RTC). To improve readiness in the NSW/NSO communities, Navy implemented initiatives in physical training preparedness to ensure candidates are physically able to pass the PST at RTC.

Health Professionals

Navy remains committed to providing quality care for all beneficiaries and continuing to support OIF/OEF with medical personnel. One of the main challenges has been ensuring sufficient numbers of health professionals in critical wartime specialties. We continue to focus on refining and shaping our force to recruit, train, and retain the right mix of uniformed and civilian health providers thus sustaining the benefits of our healthcare system while meeting operational commitments.

Generally, medical professionals do not consider the military for employment. Civilian medical professional salaries are still more lucrative than military pay and continue to outpace the offer of financial incentives (bonuses and loans) to our target market. Excessive education debt load is a major concern for medical professionals who turn to low-interest education loans outside the military. Other challenges include concerns over excessive deployments/mobilization, especially in meeting Reserve component goals, and fear over the potential loss of private practices.

In 2006, the Navy achieved 75 percent of Active component medical specialty mission, a 17-percent improvement over fiscal year 2005. We achieved 45 percent of Reserve component medical specialty mission, a 27-percent decline from fiscal year 2005.

In the Active component, we achieved 70 percent of Medical Corps (MC) accession goal, 75 percent of Dental Corps (DC) goal, 83 percent of Medical Services Corps (MSC) goal, and 92 percent of Nurse Corps (NC) goal. The Health Professions Scholarship Program (HPSP), the student pipeline for the majority of Navy physicians and dentists, is cause for concern. MC HPSP recruiting achieved just 66 percent of goal. DC HPSP recruiting achieved 76 percent of goal.

In the Reserve component, we met 24 percent of MC accession goal, 46 percent of DC goal, 29 percent of MSC goal, and 85 percent of NC goal. Five year Active component retention rates for these communities stand at 75 percent for MC, 51 percent for DC, 83 percent for MSC, and 65 percent for NC.

We are much more optimistic with our recruiting efforts of Hospital Corpsman (HM). We met 99 percent of Active component enlisted HM recruiting goal and 94 percent of Reserve component enlisted HM recruiting goal. From January 2006 to January 2007, we retained 52 percent of HM sailors in Zone A, 55 percent in Zone B, and 84 percent in Zone C. HM is slightly below overall Navy retention rates for Zone B but is increasing. The other two HM zones are either at or exceed overall Navy retention rates and exceed goal.

This past year, Navy implemented numerous incentives for health professionals, including tuition assistance, bonuses, financial aid incentives, and loan repayment programs. Our Medical, Dental, and MSC (Optometry) Health Professional Scholarship Program (HPSP) provides full tuition, books, and a monthly stipend to students. Navy's Financial Assistance Program (FAP) provides medical/dental residents a monthly stipend and an annual grant.

Retention beyond the first career decision point is a significant challenge for the Dental Corps. More than 70 percent of Dental Officers leave the Navy at this point. Navy has funded, and is about to implement, a Critical Skills Retention Bonus (CSRB) for General Dental Officers with 3 to 8 years of service. This 2-year $40,000 bonus is expected to address Navy's retention for these officers. With enhancements included in the National Defense Authorization Act (NDAA) for Fiscal Year 2007, we are contemplating implementation of future Dental Corps Accession Bonus increases. The NDAA for Fiscal Year 2006 authorized oral surgeons a $25,000 per year Incentive Special Pay, which 69 out of 70 eligible oral surgeons accepted in August 2006. Navy is currently contemplating a recommendation to authorize a $60,000 4-year CSRB to abate a shortage of clinical psychologists within our mental health system.

Navy currently provides bonuses for the Nurse Corps Direct Accession (DA) Program at $15,000 for a 3-year obligation, and $25,000 for a 4-year obligation. Navy has combined the 3-year accession bonus with the Health Professional Loan Repayment Program, which offers $32,000 for a 2-year commitment, creating an extremely successful incentive package. Combined with a 3-year accession bonus, the officer incurs a combined active duty obligation of 5 years. We anticipate that Nurse Corps will meet its direct accession goal for the first time in 4 years. We also have a $20,000 Critical Skills Accession Bonus for Medical/Dental HPSP recipients. We provide a $30,000–$60,000 sign-on bonus and/or affiliation bonus for specific medical/dental specialties.

We appreciate congressional support for the numerous Medical Recruiting and Retention incentive enhancements enacted in the NDAA for Fiscal Year 2007. Such enhancements, coupled with an increase of over $21,000 in medical special and incentive pays between fiscal year 2006 and fiscal year 2007 are expected to contribute in a significant way to attainment of medical recruiting and retention goals.

Language, Regional Expertise and Culture

Because the global war on terror is truly global and stretches far beyond Iraq and Afghanistan, Navy continues to focus significant effort on transforming and enhancing our expertise in foreign language, regional expertise and cultural awareness.

Navy implemented a Language, Regional Expertise and Culture (LREC) strategy that galvanizes and aligns related efforts across the Navy Total Force. We surveyed existing language proficiency within the workforce, increased bonuses for language competencies, initiated a focused effort in heritage recruiting, established a new Foreign Area Officer (FAO) community, and implemented training and education programs in regional issues.

Navy conducted a foreign language census of the workforce, which yielded over 138,000 assessments of proficiency in over 250 different languages, many in global war on terror-related dialects and many at the native-level skill. To systematically capture foreign language proficiency in the future, Navy began mandatory foreign language screening at military accession points.

Navy has tripled foreign language bonus rates (up to $1,000 per month for more than one language) and extended eligibility for the Foreign Language Proficiency Bonus (FLPB) beyond Navy career linguists (e.g., cryptologists and FAOs) to include any sailor, Active component or Reserve component, with fluency in critical languages. Since June 2006, Navy FLPB applications have grown almost 200 percent, with approximately 3,000 payments made each month, and increasing at a rate of roughly 200 per month.

The Heritage Recruiting Program accesses sailors from the Nation's immigrant communities with native-level language skill. The program offers a special enlistment bonus of up to $10,000 for qualified language proficiency, and attempts to place sailors in occupational specialties offering the greatest opportunity for their use.

A forward leaning FAO community was established within the Restricted Line, accessing an initial cadre of 74 FAOs. We plan to access 50 officers a year with a goal of maturing the FAO community to 400 officers by 2015. We are currently exploring development of a Reserve component FAO program and are in the early stages of defining the Reserve component FAO requirement. We will realign and redistribute existing PEP billets, as feasible, to accommodate new and changing international relationships with existing and emerging partners.

The Naval Post Graduate School Regional Security Education Program, which deploys faculty to carrier and expeditionary strike groups underway, was expanded in scope and fully funded across the Fiscal Years Defense Program. Naval War College (NWC) integrated regional content into its senior and intermediate resident curricula, providing students with the equivalent of a minor in one of five major regions of the world. Instruction is tailored for online delivery to primary officers (O1–O3 and CWO) and senior enlisted. NWC has programmed to further adapt the instruction for junior and middle enlisted in fiscal year 2008. The newly established Center for LREC in Pensacola, Florida, coordinates delivery of culture and survival-level language training for individual and unit deployers.

Individual Augmentation

Many communities of our Navy Total Force, beside the global war on terror-centric communities, are supporting the global war on terror. As of December 28, 2006, we have deployed or mobilized 45,194 sailors—12,124 Active component and 33,070 Reserve component—as Individual Augmentees (IAs) since the beginning of OEF. Almost 75 percent of IAs are employed using their core Navy competencies such as, electronic warfare, airlift support, cargo handling, maritime security, medical support, explosives engineering, construction.

Under the umbrella of Task Force Individual Augmentation (TFIA), a collaborative effort involving Fleet and major headquarters commanders, we have made significant progress improving notification, processing, deployment support, and recognition of duty for IAs. We increased average notification time from less than 30 days to over 60 days. Navy leveraged Active-Reserve Integration (ARI) efforts by processing all active duty sailors on IA tours through one of four Navy Mobilization Processing Sites (NMPS). We established an Expeditionary Combat Readiness Center within the Naval Expeditionary Combat Command to serve as a primary interface with IAs and their families. Navy is ensuring Sailors serving on IA remain competitive for advancement by providing specialty credit for IA tours, points toward advancement, and flexibility in exam taking.

We will continue efforts to enhance predictability and stability for IAs and their families. Our goal is to do everything we can to enable them to plan—professionally and personally—for these tours. Navy will give priority for follow-on assignments, preclude back-to-back deployments and increase geographic stability. We are developing options for shifting the sourcing of all joint warfighting requirements into mainstream detailing processes, providing transparency, and ensuring longer "lead times" to improve Sailor readiness and family preparedness.

Sailor Readiness and Family Preparedness

Sustaining combat readiness—Fleet readiness—now and in the future, starts with our sailors and their families. We remain committed to ensuring that sailors are physically, mentally and professionally prepared to fulfill their missions, and that their families are prepared for the challenges associated with lengthy separations. As members of the Navy community, our family members are entitled to quality programs and resources to support them and meet their needs while their loved ones are deployed.

Navy continues our emphasis on sailor readiness and family preparedness through targeted efforts in fitness, education, and professional development, financial management training, support to disabled and injured sailors, and child and youth programs.

Fitness

Navy established new fitness standards, training and support. Improved remedial programs assist sailors in meeting new physical fitness assessment standards. We introduced state-of-the-art fitness equipment and support services to all Navy afloat commands, as well as sites ashore in the 5th Fleet area of responsibility. In the future, all Navy fitness centers will establish programs and services to increase physical activity and nutrition awareness for our Total Force.

Education and Professional Development

The Advanced Education Voucher (AEV) program was implemented to provide off-duty educational opportunities and financial assistance to senior enlisted personnel (E7–E9) in pursuit of Navy-relevant post-secondary degrees. We increased the number of semester credit hours of advanced education available through the Tuition Assistance (TA) program, and continue paying up to $250 per semester hour.

Financial Management Training

With the help of congressionally-supported regulation, we are protecting sailors and their families from predatory lending practices through an aggressive plan to

improve financial literacy. Our personal financial management career life-cycle training continuum was revamped. Accredited financial counselors are now positioned at all Fleet and Family Support Centers. A series of communications and advocacy campaigns will heighten awareness of predatory lending at all levels of leadership. Senior Navy leadership will continually monitor trends and partner with key financial organizations to improve the financial literacy of sailors and their families. We will work closely with the other Services, OSD staff, FDIC, FTC, and other regulatory agencies to develop and implement regulations for predatory lending restrictions enacted in the NDAA for Fiscal Year 2007.

Support to Injured Sailors

Through our Safe Harbor Program, Navy provided 114 severely injured sailors, including 103 Active component and 11 Reserve component, timely access to available resources and support. Currently, 92 sailors are being actively tracked and monitored including 34 severely injured last year in OIF/OEF. We offer pre/post separation case management and deployment health assessments. Navy coordinates benefits with the Departments of Veterans Affairs and Labor, and other service providers. The Task Force Navy Family Functional Plan, based on lessons learned from the aftermath of hurricanes Katrina and Rita, enhances our response capabilities for future catastrophic events.

Child and Youth Programs

We are offering quality child and youth care programs to Navy families, which meet or exceed the national accreditation standards, and satisfy 69 percent of the potential need for child and youth program spaces. Given the additional spaces achieved by congressional-sponsored military construction projects and other OSD sponsored facilities, the Navy will achieve 71 percent of the potential need for child and youth program spaces in 2007.

The positive impact of these programs is reflected in the stabilization of Navy's divorce rates, declining rates of alcohol and drug abuse, as well as a lowering of the number of substantiated cases of spouse or child abuse.

Basic Housing Allowance

We welcome Congress' decision to return funding for Basic Allowance for Housing and Facilities, Sustainment, Restoration, and Modernization to the traditional Defense Appropriations accounts in fiscal year 2008, and we hope that Congress will afford us with ample transfer authority during fiscal year 2007 to effectively manage these accounts.

Sea-Shore Rotation

Enhancements to our Sailor readiness and family preparedness are critical because we are a sea-centric force. Navy's first priority is to properly man sea duty and frontline operational units. This means placing a higher priority on utilizing sailors "at sea." As the number of Navy missions and operations increases, and as we continue to make adjustments to stabilize the Navy workforce, we have, and will continue to, become more sea-centric.

Initial analysis indicates that while it will be possible to sustain a more sea-centric military workforce, it will be more costly. This is due not only to normal cost-of-living increases, but also to increased costs of compensation, training, and recruiting and retention incentives.

Navy continues to evaluate options for rotation of the workforce as we become more sea-centric. We are in the early stages of determining how to transition our current sea-shore rotation business practices to achieve four desired outcomes for our people: geographic stability, deployment predictability, increased professional and personal development, and continually satisfying work.

The Navy's Total Force is ready. We are meeting most recruiting and retention goals, addressing stress in global war on terror-centric communities and for IAs, developing new capabilities and communities, and preparing our sailors and their families for a more sea-centric force.

It is not enough to be ready today. We must look forward and predict our future requirements. We must continuously assess the size of our total Navy workforce, and make the necessary course corrections to shape and stabilize our workforce based on anticipated future requirements.

SIZING, SHAPING, AND STABILIZING THE NAVY TOTAL FORCE

For several years, our focus was on sizing the force—ensuring we had the right number of billets, and filling every billet with a sailor. Today, we are focusing on shaping and stabilizing the force—ensuring we have the right fit between the

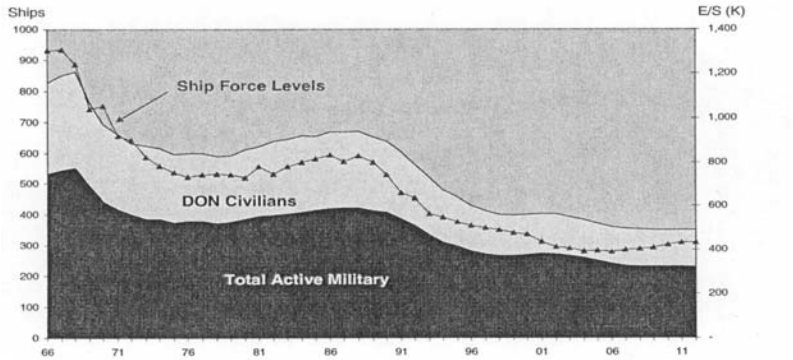
knowledge, skills and abilities required by a billet and those possessed by the sailor filling that billet, and ensuring we can easily adjust either based on changes in warfighting requirements.

The goal of sizing the force is to determine the right number of billets required to meet current and future warfighting requirements. The goal of shaping the force is to ensure we have the right type of individual available in our workforce to fill those billets. The goal of stabilizing the force is to have a personnel management system that can proactively respond to changes in warfighting requirements.

Sizing the Total Force

After the initial post-September 11 workforce surge, Navy started reducing end strength in a controlled manner commensurate with reductions in force structure and our infrastructure. We were reducing manpower in conjunction with a decrease in the number of ships and aircraft. We were focused on reducing the number of people in each component of the Total Force.

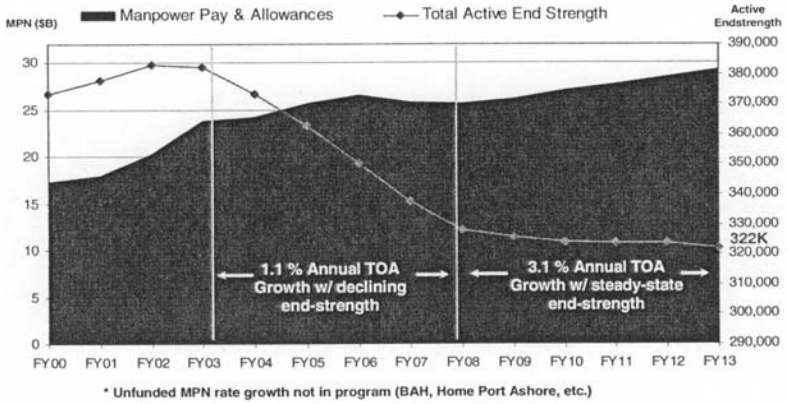
In 2006, Navy shifted from this platform-based manpower determination approach to capability-based personnel management. Based on extensive analysis of the current and future warfighting needs, we forecasted that the Active component manpower required to provide the necessary capabilities is approximately 322,000 for a force structure of 313 ships and approximately 3,800 aircraft. As a result, we are now "exiting the glide slope"; that is, we are planning to stabilize the Navy Active component workforce around 322,000 by fiscal year 2013.



Note: From PB08 30-year shipbuilding plan

Our analysis also allowed us to evaluate the quality of fit between the work that needed to be done and the skill sets of the sailors assigned to do that work. In some cases, we identified work currently performed by sailors that could be done more efficiently by employing new technologies, decommissioning manpower-intensive platforms, improving training or work processes, or altering the mix of military, civilian, and contractor resources.

As we move toward an Active component workforce of approximately 322,000 in fiscal year 2013, we will decrease Active component strength by approximately 14 percent between 2003 and 2008. It is extremely important to note, however, that during this reduction, the overall cost of our manpower will rise by almost seven percent. Not only will accessing and retaining our Sailors be generally more expensive, but, as skill requirements increase, the cost to train, educate and retain them will increase, as well. It is imperative that our force be effective and cost-efficient as we "exit the glide slope." We can not afford—operationally or fiscally—anything less.



Shaping the Total Force

In order to shape an appropriately skilled Active component workforce sized at 322,000, Navy must utilize all force-shaping tools at our disposal. We must also look for new strategies such as DOPMA grade-relief and innovative compensation programs. We need to apply both small adjustments and major course corrections in order to shape our force into a smaller, more effective and cost-efficient Total Force.

Rating Merger

Navy reviewed its ratings (i.e., job specialties) to ensure we provide the fleet with the right skill mix and reduce redundancies. Since 2003, the total number of enlisted ratings has been reduced from 81 to 77. Twelve ratings were disestablished through mergers that better reflect sailors' skill sets and duties performed. Eight ratings were established to align ratings to changing technology and emerging skill sets.

Rating Conversion

Perform to Serve (PTS) is a rating conversion program that permits sailors in overmanned ratings to switch to other ratings that are undermanned. The goal is to align our Navy personnel inventory and skill sets through a centrally managed reenlistment program, and to instill competition in the retention process. Since inception 4 years ago, more than 6,400 sailors have been guided to undermanned ratings, and more than 98,800 have been approved for in-rate reenlistment.

Voluntary Separation

Voluntary Separation Pay (VSP), enacted in 2006, has been a useful addition to our force shaping tools by providing a financial incentive to elicit voluntary separations by officers in carefully targeted communities. VSP has been used to separate 132 officers from an eligible pool of 208. Navy greatly appreciates the additional flexibility that Congress enacted in the NDAA for Fiscal Year 2007, which will permit Navy to extend the use of VSP to select enlisted personnel and apply it to members with between 6 and 20 years of service.

MIL–CIV Conversion

Conversion of military billets, not focused on inherently military work, to civilian billets enhances our ability to align military personnel to warfighting functions. This year, we will target nonwarfighting functions previously staffed and performed by military personnel, for conversion. We will transfer some commissioned U.S. vessels to Military Sealift Command (civilian mariners). Our focus will be on mil-civ conversions for medical and legal services, aviation support and maintenance, training support, and headquarters administrative functions.

Law and Regulation

DOPMA and the Goldwater/Nichols Act, both conceived and enacted in the Cold-war era, make it difficult to efficiently align our personnel to current and projected force structure requirements. Navy has become a far more joint and senior force, reduced in size, but with increased warfighting capability. As Navy end strength stabilizes, the need for more senior and experienced officers will continue to increase. Navy is currently operating at, or very near, statutory control-grade limits

across the board and, consequently, is suppressing billet grades through the programming and budgeting process in order to comply with DOPMA constraints. In fiscal year 2008, Navy is seeking relief from current control-grade limits to enable us to properly man our billet structure while providing a reasonable amount of flexibility to respond to continually emerging external control grade requirements.

Incentives

The Assignment Incentive Pay continues to be an effective market-based incentive to elicit volunteers for difficult-to-fill jobs in critical, but less desirable locations. Navy recoded approximately 8,800 billets from a nonmonetary incentive (overseas shore duty with sea duty credit) to a normal shore tour with a monetary incentive.

Sea Duty Incentive Pay (SDIP) will soon be implemented as a pilot program to incentivize enlisted Sailors in sea-intensive ratings to volunteer for longer sea duty. Sailors will either extend their assignment at sea, or curtail their assignment ashore, returning to sea duty. SDIP is aimed at increasing assignment flexibility to support the Navy's move toward a more sea-centric force.

Retention Shaping Tools

Selective Reenlistment Bonus (SRB), our primary retention tool, allows us to optimize the Navy workforce by targeting personnel with precise, in-demand skills and experience to reenlist. Navy's maximum SRB payment is currently set at $75,000, allowing sufficient flexibility to increase the bonus ceiling as retention needs dictate over the next several years. This cap increase has been extremely valuable in retaining experienced nuclear-trained personnel and SEALs.

Stabilizing the Total Force

In the past year we have seen remarkable developments in the global security environment. It is clear that the security challenges of this century will be multifaceted and wide-ranging. If we are to respond to this rapidly-changing environment, we must have a capability-based personnel management system that is proactive, agile and cost-efficient. Such a system will allow a stabilized force that can rapidly adjust to new requirements. A key to establishing this system is a single, centralized analytical construct that is Navy-wide and balances warfighting requirements, personnel, and costs.

In 2006, the Navy's Manpower, Personnel, Training, and Education (MPT&E) Domain became the Single Manpower Resource Sponsor. The OPNAV N1 organization became the single point of responsibility for oversight of resourcing and manning all Navy, Active and Reserve, end strength. This consolidation of planning, programming, budgeting and execution authority places all Navy billets and positions into a single analytical framework. Having centralized authority and accountability enables Navy leadership to look across the entire Service to identify and prioritize the work to be performed in delivering warfighting capability. Our analytical framework links people to work, work to platforms, and platforms to capabilities resulting in far better ability to fit our people directly to warfighting capability.

In 2007, as the Single Manpower Resource Sponsor, OPNAV N1 will assume a more robust assessment responsibility through close liaison with Resource Sponsors, Appropriation Sponsors and the warfighting Enterprises through all phases of the Planning, Programming, Budgeting and Execution System process. I intend to expand our focus beyond military personnel to include the Navy's civilian workforce as well.

The transition from FILL—a sailor in every billet—to FIT—the right person (military, civilian or contractor) in the right position—is just the beginning. Navy has developed strategies and action plans to enable sustainment of the changes we have made to-date, and carry us through to match the rapidly changing demands sure to come.

STRATEGIES FOR THE FUTURE NAVY WORKFORCE

Sometimes we still think of the 21st century as the future. It is not. It is today. Sailors, Navy civilians, and contractors who will respond to uncertain future missions are entering the workforce and Navy today. What we do today—the decisions we make—will dictate our situation tomorrow, and determine what we are capable of in the future.

To inform, guide and ensure these decisions enable us to sustain the ready, stable Navy workforce we need in the future, we have defined a number of strategies and action plans to transform the Navy Total Force. These strategies address: the long term vision of Navy MPT&E; leveraging the diversity of our Total Force; executing Spiral One Sea Warrior; integrating education and training across Navy; better pre-

paring and positioning the Navy to support Joint missions, and integrating our Active and Reserve military force.

Strategy for Our People

To sustain a stable Total Force, we must transform into a capability-driven, competency-based, diverse, Total Force that is agile, effective, and cost-efficient.

In 2006, we developed the MPT&E Strategic Vision. This vision sets the course along which Navy's Total Force management will evolve over the next 10 years. It describes our environment of uncertainty and changing operations, a more competitive marketplace and rising fiscal constraints. It defines six strategic goals that, when achieved, will enable us to be responsive and effective in the future.

Our six strategic goals for 2016 are:

- An Effective Total Force. Workforce components—Active and Reserve sailors, Federal civil employees, and contractors—will be viewed as one, integrated team that supports required warfighting capability.
- Capability-driven. Navy workforce requirements will be based on current and future joint warfighting needs as dictated by the national defense strategy.
- Competency-based. Navy work and workforce will be defined, described and managed by the knowledge, skills, and abilities that enable performance required for mission accomplishment.
- Competitive in the marketplace. We will continuously revise and update our policies and practices to deliver necessary and comprehensive pay and compensation structures such as life-long learning, career choice and improved family support.
- Diverse. We will have a culture of inclusion that encourages and enables all sailors and civilians to reach their full professional and personal potential.
- Agile and cost effective. We will deliver additional capability from a smaller, yet increasingly talented, educated, and integrated workforce.

In 2007, we intend to define specific approaches and action plans to achieve our six strategic goals. We will develop roadmaps that define the specific tasks and activities that must be undertaken to ensure we are making decisions that move us forward toward our vision. These roadmaps will include precise objectives that enable measurement and accountability.

Diversity Campaign Plan

Diversity is a strategic imperative for our Navy. Our diversity program leverages the different characteristics and attributes of individual sailors and civilians. It enhances the contribution of our diverse force to mission readiness.

We defined the Navy's Diversity Campaign Plan. This plan consists of three Phases: Phase I-Assessment; Phase II-Decisive Action, and Phase III-Sustainment and Accountability. Phases I and II are complete. We are now in Phase III.

The goals of this plan are to: (1) institutionalize a culture that values and fully leverages the unique attributes of the Navy's workforce, (2) attract and retain the best talent of our Nation, and (3) provide opportunity for all to succeed and advance.

In Phase I, we took a fix—to get a Navy-wide snapshot of where we are in diversity, specifically looking at how recruiting, retention, and promotion practices have resulted in current demographics. As a result, five focus areas were identified for further analysis and action: Accountability; Outreach; Mentoring; Training, and Communication. Our focus was on operationalizing diversity as a frontline issue by involving all Navy leadership in the effort. We attempted to understand why we

have diversity shortfalls in some communities, ratings and occupations, and how we can best improve and sustain representation in those areas.

During Phase II, we performed root cause analysis and implemented decisive corrective actions to institute enduring change. We identified diverse affinity groups and other organizations that Navy would engage or increase engagement with to institute an outreach regimen and build a sustained engagement strategy. A mentoring program was conceived that is formalized but voluntary for mentors and protégés and incorporates one-on-one group and peer-to-peer mentoring. An overarching communication strategy was prepared to deliver a coherent and consistent message to the force.

In Phase III, we are committed to sustainment and accountability. Our focus is on continuing and enduring actions which are critical to our long term success. Navy will communicate a coordinated and consistent strategic diversity message. There will be CNO Enterprise/Community accountability reviews, which will improve outreach—moving from episodic to sustained engagement. We will launch a service-wide mentoring program, and ingrain diversity throughout the learning continuum, empowering our leadership Navy-wide to reinforce the strategic imperative of diversity in today's Navy.

Spiral One Sea Warrior

Our new generation of sailors expects to be more involved in making their career and life decisions. As a result, we are moving from a schedule-based requisition legacy system to sailor choice and partnership, a sailor-centered model.

The Sea Warrior family of career management tools is based on entrepreneurial efforts of Revolution in Training, Project SAIL and Improving Navy's Workforce, which helped us precisely understand the work that we need to do, and how we can best match the sailor to that work.

Like other elements of Sea Power 21, Sea Warrior is a conceptual framework to deliver a capability. Our long range vision—an easy to use, integrated and responsive family of career management, training, and education systems for sailors to invest in and direct their careers, education, and professional development—remains unchanged. In the near-term, we are focused on access and delivery, performance, and policy to support one primary product—interactive detailing.

In 2006, Navy applied programmatic discipline to place more rigor into specific content development. We stood up a program office within PEO–EIS and deepened partnerships with key Navy organizations. We also unbundled existing products (Navy Knowledge Online, SMART transcripts, Navy Credentialing Opportunities Online (COOL)) to field Sea Warrior Spiral One—Career Management System (CMS) with Interactive Detailing capability.

In the future, we intend to continue to test, evaluate, and deliver proven products to sailors. Sea Warrior will be established as a program of record for POM–10. Testing starts this year with a tightly defined control group to use the system and provide us valuable feedback to improve upon this capability. The ability to apply for billets online using CMS-Interactive Detailing (consistent with policy and access) will be delivered to our sailors by June 2009. In future spirals, we will build on lessons learned and as access and systems capability improve, we will move from a policy focus to individual sailor and access and capability focus. As each build reaches maturity (and passes strict quality acceptance tests for accuracy, ease-of-use, and technical robustness), we will open its use to wider audiences.

Navy Education Strategy

Developing a Total Force that is ready any time, anywhere starts with education. Education provides the foundation for development and enhancement of the critical thinking skills necessary to confront uncertainty, and adapt and respond quickly and decisively. Education is a strategic investment for Navy's Total Force. It provides preparation for enduring missions that are well-known, plus yet-to-emerge missions we know are certain to come.

In 2006, the Navy conducted a study that sought to establish a requirements and career progression framework and lay the groundwork for an education strategy within that framework. The study included intensive discussions with Navy leaders, unintended consequence analysis of prospective education initiatives, and a literature review and exploratory data analysis.

In 2007, the Navy will conduct a follow-on study that includes extensive data gathering, model building, and data analysis. The goal is to develop a comprehensive Navy Education Strategy that: supports the Navy Total Force, enhances warfighting proficiency; strengthens joint, multi-national and interagency operations; addresses enduring, emergent and future requirements, and exploits learning strategies and best practices.

Path to Jointness

The Navy is committed to developing joint leaders—both in the officer and senior enlisted communities. We are pursuing a "Path to Jointness" that will improve how we plan, prepare and assign Navy leadership talent to joint positions in a way that maximizes the Navy's contribution to joint, interagency, and multi-national coalition partners.

In 2006, we made significant progress on the policy initiatives linking career progression and assignment with the Chairman's Vision. We defined the professional military education (PME) requirements for the ranks of E–1 through 0–8 across the entire Active and Reserve military forces. Navy has revised the process to select and assign officers who have clearly demonstrated the potential to assume positions of strategic and operational leadership of staff responsibilities as appropriate to their grade in Navy, Joint, interagency and multi-national billets. The Navy now requires completion of Intermediate PME, including JMPE Phase I for selection to URL 0–5 Command by fiscal year 2009 screen boards (which are actually held in fiscal year 2008).

In 2007, we intend to continue our efforts on the "Path to Jointness" by expanding our efforts to the Total Force, and monitoring our policy and process changes to ensure compliance and effectiveness. We will expand our efforts by providing the appropriate PME to the entire Active and Reserve Total Force, and ensuring graduates are tracked and assigned to billets that exploit their education and accelerate their development as joint leaders. Our effectiveness will be tracked by the number and percentage of PME graduates assigned to career milestone billets. We have set a requirement for 100 percent fill of Navy resident student billets at all Joint, Service, and foreign war colleges.

Active-Reserve Force Integration

Navy continues to make significant strides in achieving a true Total Force through ARI. ARI aligns Active and Reserve component units to achieve unity of command. It leverages both budgetary and administrative efficiencies, and ensures that the full weight of the Navy resources and capabilities are under the authority of a single commander.

Strength planners and community managers, both Active and Reserve, are being collocated and are implementing the same business rules and models to manage our Navy's manpower from a Total Force perspective. Active and Reserve regions have been aligned under the five CONUS Navy Region Commanders and Naval District Washington, to improve communications and provide mutual support, optimizing our resources and making them more accessible across the Navy.

Navy Reserve Centers have been redesignated as Navy Operational Support Centers (NOSCs). Their mission is to meet the requirements of the fleet and combatant commanders by providing integrated operational support to supported Navy and joint commands worldwide.

CONCLUSION

Your Navy is ready. We are ready now and we will be ready tomorrow. We are recruiting and retaining the best and brightest talent our Nation has to offer. Our sailors, our civilians, and their families, are physically and mentally prepared. We have sized and shaped our force based on current and projected warfighting requirements. We are building a more flexible personnel management system that can rapidly respond to the ever-changing security environment. Our strategies for the future are defined and executing.

The United States Navy has a proud history of accomplishing its maritime core missions-forward presence, crisis response, sea control and power projection. This past year, our Total Force not only lived up to, but surpassed, this standard, accomplishing our traditional missions, as well as supporting the nontraditional missions of the long war—counterinsurgency, counterterrorism, civil-military operations and nation-building. We also provided desperately needed humanitarian assistance around the globe.

The challenge before us is the uncertain world. We do not know which of these missions we may be called upon to perform in the future. The Nation needs a strong Navy—with unmatched capability, global reach, persistence presence, agility and unequaled lethality. Our Navy's Total Force must be ready today and in the future to respond whenever, wherever we are called upon to do so. That is our heritage, that is our tradition and that is exactly what we will do.

Senator BEN NELSON. Thank you, Admiral.

General?

STATEMENT OF LT. GEN. RONALD S. COLEMAN, USMC, DEPUTY COMMANDANT FOR MANPOWER AND RESERVE AFFAIRS, UNITED STATES MARINE CORPS

General COLEMAN. Good afternoon, sir. I have submitted a statement.

Senator BEN NELSON. It will be included in the record.

General COLEMAN. Yes, sir. Thank you, sir.

Chairman Nelson, Senator Graham, and distinguished members of the subcommittee, it is a privilege to appear before you today to discuss the Marine Corps policy and program.

I want to first thank you for all your continued support of our marines and their families. The commitment of Congress to increasing the warfighting and crisis-response capabilities of our Nation's Armed Forces and to improve the quality-of-life for marines is central to the strength that your Marine Corps enjoys today. I would like to make three points.

First, in fiscal year 2006, the Marine Corps exceeded its mission in both recruiting and retention. In doing so, we continue to exceed DOD-quality standards in recruiting. We also achieved over 90 percent military occupational speciality match in first-term enlistments, and over 94 percent in career force.

Second, in fiscal year 2007, the Marine Corps is off to a strong start in both recruiting and retention. We were initially on pace to meet or exceed our fiscal year 2006 results. As part of the plan to increase our end strength to 202,000 by fiscal year 2011, we're now planning to increase our end strength to 184,000 by the end of fiscal year 2007. Consequently, we recently increased both our recruiting and retention missions significantly. These new missions will present challenges for recruiters, commanders, and career retention specialists, but we believe we will meet the challenge. Key to our success will be the additional funding that we have applied to both our enlisted bonus and Selective Reenlistment Bonus Program.

Third, the increased Marine Corps end strength will enable your Marine Corps to better train across the warfighting spectrum, respond to other conflicts and crises, and reduce the strains on our marines and units. Meeting the end strength growth requirements will require us to continue to increase our recruiting and retention goals. The Marine Corps will also increase the number of recruiters, expand marketing and advertising efforts, and increase enlistment and reenlistment incentives. We ask for your support in authorizing and funding these programs. With these important tools, we will be able to continue to attract and retain the best and brightest.

Thank you. Your Marine Corps remains the Nation's force in readiness and will continue to fill its mission of being the most ready when the Nation is least ready.

I look forward to answering your questions.

[The prepared statement of General Coleman follows:]

PREPARED STATEMENT BY LT. GEN. RONALD S. COLEMAN, USMC

Chairman Nelson, Senator Graham, and distinguished members of the subcommittee, it is my privilege to appear before you today to provide an overview of your Marine Corps personnel.

INTRODUCTION

We remain a Corps of Marines at war with over 33,700 marines deployed to dozens of countries around the globe. The young men and women who fill our ranks today recognize the global, protracted, and lethal nature of the challenges facing our Nation, and their dedicated service and sacrifice rivals that of any generation preceding them.

Thanks to you, ladies and gentlemen, your marines know that the people of the United States and the Government are behind them. The continued commitment of Congress to increasing the warfighting and crisis response capabilities of our Nation's Armed Forces, and to improve the quality-of-life of marines, is central to the strength that your Marine Corps enjoys today. The Nation is receiving a superb return on its investment in the world's finest expeditionary force.

This past year, you have seen evidence of this not only in Iraq and Afghanistan, but in Lebanon, where we were partners in the largest noncombatant evacuation since Vietnam; in the southern Pacific, as part of humanitarian assistance and relief efforts in the wake of multiple natural disasters; and throughout the world in our theater security cooperation engagements. We know the future will remain challenging—not only in the current conflicts, but in subsequent campaigns of the long war on terror. I am confident that with your continued support, your corps will remain the Nation's force in readiness and will continue to fulfill its congressionally mandated mission of being the most ready when the Nation is least ready.

RIGHT-SIZE OUR MARINE CORPS

To meet the demands of the "Long War" and other crises that arise, our corps must be sufficiently manned, trained, and equipped. Like the Cold War, the "Long War" is a continuing struggle that will not be measured by the number of near-term deployments or rotations. To meet our challenges, we must ensure that our personnel policies, organizational construct, and training are able to operate at a "sustained rate of fire."

Strain on the Individual

Marines are resilient warriors and are willing and able to absorb increased deployment stress without outward symptoms. However, any deployment causes stress as members are away from their families and in dangerous environments. Families worry about their loved one's safety and spouses have to care for their children alone. As members deploy multiple times, these stresses are multiplied. Nevertheless, despite the current unparalleled Personnel Tempo, the morale of our marines and their families remains high.

To avoid an adverse toll on our marines and their families, and to prevent a decrease in readiness, the Secretary of Defense established a 1:2 deployment-to-dwell ratio goal for all Active component forces. This ratio relates to how long our forces are deployed versus how long they are at home—the goal being for every 6 months a marine is deployed, they will be back at their home station for 1 year. We need to relieve the strain on those superb Americans who have volunteered to fight the Nation's battles.

Strain on the Institution

The current deployment cycle requires commanders to focus on those skill sets required to accomplish the mission in Iraq and Afghanistan. This emphasis, along with the added requirement for individual augments, training team requirements, and the need to deploy many units for missions outside of their normal functions has caused deterioration in other skill sets. The result of this strain is limitation in the Marine Corps' ability to provide trained forces to project power in support of other contingencies. To fulfill our mandate to be "most ready when the Nation is least ready," our deployment cycles must not only support training for irregular warfare, they must also provide sufficient time for recovery, maintenance, and training for other contingency missions.

Reducing the Stress

The proposed increase to our Active component end strength to 202,000 marines by fiscal year 2011 will go a long way to reducing the strain on the individual marines and the institution. It will enable us to build capacity to fight the "Long War" and to better train and respond to other crises. It will also help us meet the Secretary of Defense's goal 1:2 deployment-to-dwell ratio.

Our first task will be to build 3 new infantry battalions and their supporting structure—approximately 4,000 marines. We will then systematically build the additional individuals and units on a schedule of approximately 5,000 per year. This plan will gradually increase the deployment-to-dwell ratio of some of our habitually

high operational tempo units such as ground reconnaissance, light armored reconnaissance, assault amphibian, combat engineer, military police, signals intelligence, unmanned aerial vehicle, helicopter, air command and control, combat service support and explosive ordnance disposal units.

Increasing end strength to 202,000 will be achieved by through increased Active component accessions and increased retention. These mission increases will be significant and will require additional compensation incentives. We have developed a number of Assignment Incentive Pay based initiatives that will be critical to our increased retention missions, and we ask for congressional support for these programs.

Reserve Component End Strength

Our efforts in the "Long War" remain a Total Force effort. Recent policy changes within the Department of Defense (DOD) will allow us to use the Reserve Forces as they were structured to be employed—to augment and reinforce our Active component forces. To this end, our goal is to obtain a 1:5 deployment-to-dwell ratio within our Reserve component. We believe our current authorized Reserve component end strength of 39,600 selected Reserve marines is adequate. As with every organization within the Marine Corps, we continue to review the make-up and structure of the Marine Corps Reserve in order to ensure the right capabilities reside within the Marine Forces Reserve units and our Individual Mobilization Augmentee program across the force.

Funding

The Marine Corps greatly appreciates the increased end strength to 180,000 in the National Defense Authorization Act for Fiscal Year 2007. Our program of record requires that we internally fund any end strength in excess of 175,000 marines. We are resourcing these additional costs through supplemental funding.

Compensation

The vast majority of our personnel budget is spent on entitlements, including compensation. Compensation is a double-edged sword in that it is a principal factor for marines both when they decide to reenlist and when they decide not to reenlist. Private sector competition will always seek to capitalize on the military training and education provided to our marines—marines are a highly desirable labor resource for private sector organizations. The targeted pay raise effective 1 April 2007 has allowed the Department to accomplish its efforts in bringing all pay grades up to the 70th percentile of comparably educated civilian pay levels. We look forward to the product of the thorough analysis being conducted by Quadrennial Review of Military Compensation review of the Defense Advisory Committee on Military Compensation recommendations.

The continued support of Congress for appropriate increases in basic pay and a sound, comprehensive compensation and entitlements structure greatly assists efforts to recruit and retain the quality Americans you expect in your corps.

RECRUITING

Active Component

In fiscal year 2006, the Marine Corps achieved 100.1 percent of the enlisted shipping (accession) objective. Over 95 percent of those shipped to recruit training were Tier 1 high school diploma graduates and 68 percent were in the I–IIIA upper mental group testing categories. In short, we accomplished our recruiting mission and exceeded DOD quality standards. To meet the Marine Corps' proposed end strength increase, annual total force accessions missions must steadily grow from 38,217 in fiscal year 2006 to 45,000 in fiscal year 2010. Fiscal year 2007 total force accessions mission is 39,927. As of March 1, 2007, we have shipped (accessed) 13,568 recruits to basic training which represents 102 percent of our mission fiscal year to date. Although challenging, we anticipate meeting our annual recruiting mission. With regard to our self-imposed contracting mission, we are ahead of our current plan for the year and expect to meet our objectives. Our Officer Selection Teams were also successful accessing 1,494 second lieutenants in fiscal year 2006, 101 percent of mission, and we are on course to make our officer accession mission in fiscal year 2007.

Reserve Component

For the Reserve component, the Marine Corps achieved its fiscal year 2006 Reserve enlisted recruiting goals with the accession of 5,880 non-prior service marines and 3,165 prior service marines. As of 1 March 2007, we have accessed 1,874 non-prior service and 1,746 prior service marines, which reflects 35 percent and 50 percent of our annual mission, respectively. Again, we expect to meet our Reserve re-

cruiting goals this year. Officer recruiting and retention for our Selected Marine Corps Reserve units is traditionally our greatest challenge, and remains the same this year. To help address this issue, we have initiated a Reserve officer commissioning program exclusively to address the company grade officer shortfall. Under this program, individuals will attend Officer Candidates School, The Basic School, a Military Occupational Specialty school, and return to a Reserve unit to serve. When coupled with the continued selected Reserve officer affiliation bonus provided in the National Defense Authorization Act for Fiscal Year 2007, we believe we will have established a method to retain officers leaving active duty and attract qualified officer applicants into the Reserve ranks.

Accomplishing the Mission

To assist in meeting our growing recruiting mission, the Marine Corps plans to increase the number of recruiters, retain experienced recruiters, increase enlistment incentives, and expand marketing and advertising efforts. The recruiting environment continues to be highly challenging. Private sector opportunities, low unemployment, declining propensity for military service, the global war on terror, and the higher costs in advertising require innovation in marketing the Marine Corps. We strive to emphasize intangible benefits by projecting the Marine Corps message of "Tough, Smart, Elite Warrior," and the "transformation" that a young man or woman experiences in becoming a marine. The Corps continues to explore the best means to communicate and appeal to the most qualified young men and women of the millennial generation. We endeavor to educate the parents of potential applicants. Parents continue to have the greatest influence on young men and women in their decision to serve their country, and it is important that we inform them of the benefits of serving in the Marine Corps.

Our message is reinforced through marketing and advertising programs—paid media, leads for recruiters, and effective recruiter support materials. Paid advertising remains the most effective means to communicate our message and, as a result, is the focus of our marketing efforts. As advertising costs increase, it is imperative that our advertising budgets remain competitive to ensure that our recruiting message reaches the right audience. Marine Corps recruiting success in the past is a direct reflection of a quality recruiting force and an effective and efficient marketing and advertising program. We would like to thank Congress for their continued support of the "No Child Left Behind Act" which provides recruiters access to high schools and student directory lists critical to recruiting quality applicants.

Finally, a very important factor in our success lies in ensuring clear and direct responsibility and oversight. The Commanding Generals of our two Marine Corps Recruit Training Depots also serve as the Commanding Generals of our Eastern and Western Recruiting Regions. Having the same individual responsible for quality recruiting and entry-level basic training is key to recruiting and making marines. Consistent with this, our recruiters' commitment to recruiting a quality force is reinforced by the fact that they are held accountable for their recruits' performance as they earn the title marine and complete "boot camp."

RETENTION

Retention remains an important pillar of building and sustaining your Marine Corps. Our manpower system must match skills to sustain the operating forces. The Marine Corps endeavors to maintain stable, predictable retention patterns. However, civilian opportunities abound for marines as employers actively seek our young Marine leaders for private sector employment. Leadership opportunities, our core values, and esprit de corps are the reasons dedicated young men and women reenlist after their initial commitments to defend our Nation.

Enlisted Retention

The Marine Corps is a young service by design and retaining the highest quality marines to lead our force remains of paramount importance. I am pleased to report that in fiscal year 2006, the Marine Corps achieved 101.9 percent of its first-term retention goal and an impressive 115.8 percent for the Career Force. Both goals were accomplished in June 2006, which was 3 months before the end of the fiscal year.

The mid-year course correction to achieve a 184,000 end strength by the end of fiscal year 2007 will be challenging. On 4 March 2007, the FTAP retention goal increased from 6,096 to 8,298 causing the FTAP rate to readjust from 91.9 percent to 67.5 percent. The Marine Corps has historically reenlisted approximately 25 percent of its first-term force and the new target will require 33 percent this fiscal year. The STAP retention goal also increased from 6,461 to 7,800 causing the STAP rate to readjust from 57.2 percent to 47.4 percent. Our continuing retention success will

be largely attributed to two important enduring themes: Marines want to stay marines because of the superb leadership in our officer and staff noncommissioned officer ranks, and marines desire to remain part of a 'band of brothers.'

The Marine Corps makes wise use of Selective Reenlistment Bonus (SRB) funding provided by Congress. Your Marine Corps' baseline SRB budget last year was $53 million and the Marine Corps spent an additional $32 million in supplemental funding to achieve its retention goals. This fiscal year we have $55 million for SRB in the baseline. However, because of our increased retention goals, we will need significant additional supplemental funding; we are thankful for your support for this funding. To support our fiscal year 2007 growing end strength, we are supplementing the SRB Program by offering $10,000 Assignment Incentive Pay for fiscal year 2007 reenlistments. For fiscal year 2008, the President's budget provides the Marine Corps a baseline SRB funding of $214 million; we will again need additional supplemental funding for our end strength retention incentives.

As we continue the "Long War" and grow the Marine Corps to an end strength of 202,000, the challenge to keep the most qualified marines must be met with increased SRB funding. Your continued congressional SRB support with added supplemental funding will ensure the Marine Corps has the necessary combat trained marines for the "Long War" and the other contingencies that may arise in support of our great Nation.

Officer Retention

I am happy to report that the Marine Corps continues to achieve our goals for officer retention. We are retaining experienced and high quality officers. Our aggregate officer retention rate was 91.0 percent for fiscal year 2006, which is above our historical average. Current officer retention forecasts indicate healthy continuation rates for the officer force as a whole.

Reserve Retention

Concerning our Reserve Force, we satisfied our manpower requirements by retaining 80 percent in fiscal year 2006; the fifth consecutive year above our pre-September 11 historic norm of 70.7 percent. For the current year, Reserve officer retention has thus far remained above historical norms. Enlisted Reserve retention is currently lower than has been seen in the last 2 years, and is being monitored very closely. It is important to note that higher planned retention in the Active component will reduce the number of personnel transitioning into the Selected Marine Corps Reserve. To address the potential impact of our increased retention and increased Active component end strength, the Marine Corps Reserve is aggressively pursing options to increase retention within the Reserve component, to include increasing the number and dollar amount of reenlistment incentives with a focus on units identified for future deployment in our Long War Force Generation Model.

MARINE CORPS RESERVE

This year marks the sixth year that our Reserve component has augmented and reinforced our Active component in support of the global war on terror. Thanks to strong congressional support, the Marine Corps has staffed, trained, and equipped its Reserve to respond to crises around the world. Our Reserve component possesses capabilities to fight across the full spectrum of conflicts to support our Marine Air Ground Task Forces. As of 28 February 2007, 41,560 Reserve marines have been mobilized since September 11. The Marine Corps Reserve continues to recruit and retain quality men and women willing to serve in our military and help our Nation fight the global war on terror. These men and women do so while maintaining their commitments to their families, their communities, and their civilian careers.

More than 4,700 Reserve marines are currently on active duty with nearly 3,500 serving in Reserve ground, aviation, and combat support units, while over 1,200 serve as individual augments in both Marine Corps and joint commands. Seventy-four percent of all mobilized reservists have deployed to the Central Command area of operations. To support ongoing mission requirements for Operation Iraqi Freedom, the Marine Corps Reserve provides approximately 10 percent of our Total Force commitment.

We are currently working closely with the Department of the Navy and OSD on the development of the new activation policy. This policy, in conjunction with our Long War Force Generation Model will greatly improve our ability to provide our Reserve marines with advance notification of activation.

As previously mentioned, recruiting and retention remain a significant interest as the Marine Corps Reserve continues its support for the global war on terrorism. The funding increases and flexibility inherent in the Reserve incentives you provided in the National Defense Authorization Act for Fiscal Year 2007 are invaluable assets

to assist in our continued recruitment and retention mission. The increased bonus amounts not only generate greater interest in Reserve affiliation, but also provide financial assistance during the critical period of transition from active duty to Reserve service.

Healthcare remains an essential part of mobilization readiness for our Reserve component. The new streamlined healthcare benefit that Congress authorized this fiscal year will help ensure that our Selected Marine Corps Reserve members, and their families, have access to affordable healthcare as they do their part to prosecute the global war on terrorism. Increased access and flexibility to healthcare for these families assists in alleviating one of the most burdensome challenges facing families of deploying Reserve marines.

The long-term success and sustainability of our Reserve Forces is directly related to our ability to prepare and employ our forces in ways that best manage limited assets while meeting the expectations and needs of individual marines and their families. In an effort to ensure a well-balanced total force and address any potential challenges that may arise, we are constantly monitoring current processes and policies, as well as implementing adjustments to the structure and support of our Reserve Forces.

CIVILIAN MARINES

Civilian marines continue to provide an invaluable service to the Corps as an integral component of our Total Force. Working in true partnership with marines, civilian marines will continue to play in important role in supporting the mission of the Marine Corps and the global war on terror. Our vision for the future not only defines what the Marine Corps will offer its civilian marines, but what the Corps expects from them.

Marine Corps Civilian Workforce Campaign Plan

Marines, more than ever before, recognize the importance of our civilian teammates and the invaluable service they provide to our Corps as an integral component of the Total Force. To that end we continue to mature and execute our Civilian Workforce Campaign Plan, a strategic road map to achieve a civilian workforce capable of meeting the challenges of the future. We are committed to building leadership skills at all levels, providing interesting and challenging training and career opportunities, and improving the quality of work life for all appropriated and non-appropriated civilian marines.

National Security Personnel System

The Marine Corps is committed to the successful implementation of the National Security Personnel System (NSPS). The NSPS will enable the Marine Corps to better support the warfighter by providing a civilian workforce that is flexible, accountable, and better aligned to the Marine Corps mission. The Marine Corps is actively participating with DOD in the development and implementation of this new personnel system and is cooperating with the sister Services to ensure civilian marines and other civilian employees are afforded the training opportunities and support necessary for a successful transition. The Marine Corps is dedicated to providing all available resources to the NSPS implementation effort while maintaining high operational performance. Marine Corps implementation of NSPS began with Headquarters, Marine Corps (HQMC) converting approximately 900 non-bargaining civilian employees on 21 January 2007.

Military-to-civilian conversions

Military-to-civilian conversions continue to provide a valuable source to send additional marines back to the operating force in support of our warfighting initiatives and help reduce stress. We will continue to pursue sensible conversions and remove marines from billets that could be capably filled by civilian marines.

INFORMATION TECHNOLOGY

We continue to transform our manpower processes by exploiting the unique benefits of the Marine Corps Total Force System (MCTFS), via our fully integrated personnel, pay, and manpower system. The MCTFS seamlessly serves our Active, Reserve, and retired members, both officer and enlisted; provides total visibility of the mobilization and demobilization process of our marines; and ensures proper and timely payments are made throughout the process. This fiscal year, MCTFS continues to obtain a pay accuracy rate of 99.9 percent for our Active component and 99.7 percent for our Reserve component.

MCTFS is the backbone that has allowed the Marine Corps to develop the Total Force Administration System (TFAS), a virtual administration center that moves

Marine Corps pay and personnel administration to a predominately self-service, virtually paperless, Web based environment. This capability allows global access to pay, personnel tools, and personal information viewed electronically in a secure environment. During 2006, individual marines and their leaders leveraged MCTFS' capabilities, using TFAS via Marine Online, a Web based application, to automatically process more than 1.4 million transactions, including over 84 percent of our annual leave events.

MCTFS' integrated environment also directly feeds our Operational Data Store Enterprise and Total Force Data Warehouse, a shared data environment of current and historical individual and aggregate data. This unique capability allows analysts to quickly respond to a myriad of data analysis and requests. Our Manpower Performance Indicators present this data in a tailorable, easy to read, graphical format to operational commanders and headquarters planners, via the World Wide Web. We continue to program technology investments that build on these integrated capabilities, ultimately providing greater effectiveness and efficiencies with a goal of further decreasing Marine administrative support and redirecting this structure to warfighting capabilities. Proper management of our manpower requirements and processes requires continued investment in modern technologies; we remain committed to these prudent investments.

TAKING CARE OF OUR OWN—THE "NEW NORMAL"

Upon successful recruitment and retention of high quality marines, the Marine Corps seeks opportunities to enhance the experience of being a U.S. marine. It is widely recognized that lasting intangible benefits are gained through duty and commitment. These positive experiences are further intensified by the assurance that the Marine Corps "takes care of our own."

Marines and their families have long been accustomed to rapid and frequent deployments. Over time, the Marine Corps has developed a flexible and evolutionary infrastructure to support our way of life and the "normal" operations of our expeditionary force. Marines and their families have been well served, but we must continuously assess our support programs and capabilities to ensure sufficiency and relevance.

Assessment & Improvement

Going forward, it is becoming more evident that what was once characterized as "surge" support requirements of Operation Iraqi Freedom and Operation Enduring Freedom should now more appropriately be viewed as "normal" operations of the Marine Corps—albeit a "new normal." With this view, in January 2007, we conducted a Wounded Marine and Family Support Forum for the purpose of assessing the quality and consistency of our support programs. Over 100 major command representatives convened in Alexandria, Virginia, to examine seven program areas for wartime applicability and consistency of support across the Marine Corps. Areas reviewed included: wounded warrior support, post-traumatic stress disorder, and traumatic brain injury, casualty notification and support, marine and family pre-deployment training, Marine and Family Services Programs, special needs families, and the Key Volunteer Program. As may be expected, we found some program inconsistencies that will require greater analysis, further program development, and in some cases increased resources. Recommendations subsequently approved for action will take advantage of ad hoc best practices and be directed for implementation Marine Corps-wide. Execution will remain the responsibility of our Commanders, but they will be supported with good guidance along with standard templates and tools that will ensure we continue the proud Marine Corps tradition of "taking care of our own."

In addition to the efforts described above, the quality-of-life in the Marine Corps survey and study will be administered later this year. This same survey was previously conducted in 1992, 1998, and 2002. The purpose of the survey is to gain insights from marines and their families on their perceptions of quality-of-life. Eleven "life domains" covering all aspects of quality-of-life; including pay and compensation, military life, family life, housing, heath care, etc. will be surveyed for levels of satisfaction. We will use the results of the survey to support Marine Corps desired outcomes for recruitment, retention, and readiness.

Importance and Role of Marine Leaders

Marine leaders, at all levels, have the greatest opportunity to directly engage marines and their families through active listening and appropriate referral to an array of support agencies and services. In this capacity, Marine leaders set an environment where it is "okay to ask for help." As described previously, we must provide good guidance, tools, and templates our leaders can use for immediate and lasting

care of marines and families. Our "Leaders Guide for Managing Marines in Distress" is an example of an innovative tool for leaders engaged in the "new normal" operation. The guide, which is updated regularly, is an online and pocket version resource for Marine leaders in the effective management of stress-related problems (i.e. suicide, substance abuse, financial problems, and domestic abuse), including combat/operational stress.

Marines and marine families have demonstrated great strength and resiliency. In fact, for the past 5 years, our rates of domestic abuse and child maltreatment; incidents of drug use, divorce, and suicide have remained comparatively low. We remain vigilant in monitoring trends and will continue to provide appropriate support mechanisms to help marines and their families prevent and, when necessary, overcome problems that may arise.

Casualty Assistance

The Marine Corps ethos of "taking care of our own" is never more relevant than when we care for our fallen Marines and their survivors. Whether the death is combat-related or comes after a long and well-lived life, each marine death is a tragic or significant loss to the survivors, the corps, and our Nation. We steadfastly endeavor to honor their sacrifices with sincerity and continued remembrance. Our Casualty Assistance Calls Officers are trained to treat next of kin and other family members as they would their own family. Providing casualty assistance always begins with the basic tenet that there is no standard casualty call; each case is distinct and families grieve in their own way and time. Assistance to families is carefully measured to facilitate their transition through the stages of grief and the completion of the casualty assistance process.

In the past few years, we have been careful to incorporate best practices or adapt our casualty assistance process to better meet the needs of our surviving families. In fact, over 150 key personnel involved in the Marine Corps casualty process from commands around the Marine Corps met in December 2006 to receive professional development and discuss casualty assistance issues. We have also instituted a long-term case management system for surviving families. Finally, as part of the Wounded Marine and Family Support Forum, we also identified some additional CACO training requirements that we will soon resolve.

We will continue to lean forward and aggressively assess our quality-of-life and support services. As necessary, our programs will evolve to an appropriate wartime footing.

Marine for Life—Injured Support.

The Marine For Life Injured Support program continues to assist seriously and very seriously injured marines, sailors who served with the marines, and their families pending the upcoming implementation of the Wounded Warrior Regiment, whose mission will be to track and assist wounded marines and sailors to add additional discipline and continuity to taking care of the injured. The Marine for Life program provides support from the time of injury through transition from military service, or re-integration to duty. Marine For Life provides support tailored to an individual's needs, including pre- and post-service separation case tracking, assistance with the physical evaluation boards' process, and an interactive Web site that acts as a clearinghouse for all disability and benefit information. The program also provides employment assistance through a pre-existing Marine For Life network, which establishes local coordination with veterans, public, private, and charitable organizations that provide support to our injured warriors. Marine For Life integrated Marine Corps and Department of Veterans Affairs' (VA) efforts to seamlessly transition handling of Marine cases into the VA by assigning a Marine field grade officer to the VA Headquarters' Seamless Transition Office. This integrates marines into the VA system and provides service oversight of Veterans Health Administration care and Veterans Benefits Administration benefits delivery. The Marine For Life program provides the direct point of contact for problem resolution for marines within the VA system. The scope of services and capabilities that the Marine For Life program currently delivers is expected to continue and expand in a more robust manner when the Wounded Warrior Regiment stands up.

CONCLUSION

As we continue to fight the "Long War," our Services will be required to meet many commitments, both at home and abroad. We must remember that marines, sailors, airmen, and soldiers are the heart of our Services—they are our most precious assets—and we must continue to attract and retain the best and brightest into our ranks. Personnel costs are a major portion of the DOD and Service budgets, and

our challenge is to effectively and properly balance personnel, readiness, and modernization costs to provide mission capable forces.

Marines are proud of what they do! They are proud of the "Eagle, Globe, and Anchor" and what it represents to our country. It is our job to provide for them the leadership, resources, quality-of-life, and moral guidance to carry our proud Corps forward. With your support, a vibrant Marine Corps will continue to meet our Nation's call as we have for the past 231 years!

Thank you for the opportunity to present this testimony.

Senator BEN NELSON. Thank you, General Coleman.

General Brady?

STATEMENT OF LT. GEN. ROGER A. BRADY, USAF, DEPUTY CHIEF OF STAFF, MANPOWER AND PERSONNEL, UNITED STATES AIR FORCE

General BRADY. Mr. Chairman, thank you for the opportunity to be here today to talk with you about your Air Force.

Let me begin by thanking you and the committee for the tremendous support you have provided for our airmen over many years. The Air Force has been compelled to make difficult decisions to optimize the dollars available in our budget. Our need to recapitalize an aging fleet, coupled with a continued high operations tempo, led to a lesser-of-evils decision to manage the risk of significantly reducing our end strength. While we're not totally comfortable with this drawdown, we cannot compromise on recapitalization.

Our modernization effort remains critical to providing combatant commanders with the warfighting capabilities required to prevail in the operating domains of air, space, and cyberspace.

The Air Force has been very successful in meeting the ever-increasing demands of the global war on terror while also transforming into a more agile and capable force. This success can be attributed, in large measure, to our Air Force expeditionary force rotation construct that operates on a 20-month life cycle. Despite a very high operations tempo, through the Air Expeditionary Force (AEF) construct we have met all combatant commander requirements, maximized quality-of-life by introducing predictability, integrated Air Reserve component forces to meet requirements, and avoided the use of stop loss.

As the U.S. Army and U.S. Marine Corps plan for significant increases to bolster combat capability, we should be aware that there will be a commensurate requirement for an increase in Air Force manpower to ensure the effectiveness of the interdependent joint team.

Our air mobility units are intrinsically tied to supporting ground forces with the mobility required to deploy and be supplied anywhere in the world. Our weather teams, tactical air controllers, and other forces are embedded with, or closely tied to, ground forces. Your Air Force provides the full range of air assets as part of the interdependent joint fight, including special forces and intelligence, surveillance, and reconnaissance assets.

Critically important since inception of the global war on terrorism has been care of our wounded in action, seriously injured, and ill airmen and their families. Palace HART, which stands for Helping Airmen Recover Together, is our Air Force program for taking care of wounded warriors. Immediately upon learning of injury to an airman, a family liaison officer from the airman's unit

is assigned to the airman's family. This airman maintains close contact with the family and helps them with whatever they need, and serves as a personal contact to ensure the family and the airman can access all the support they need. This individual is the wingman who remains with the airman and the family from initial notification to recovery. Palace HART follows airmen and their families for up to 5 years beyond separation from the service, to assist with extended transition assistance, employment applications, civilian job searches, financial planning and assistance, relocation, and integration back into the civilian community.

Today's airmen are performing at the high standards that have been our hallmark for as long as there have been American airmen. Our airmen are fully prepared and engaged today, and we must continue to invest in the tools they need to ensure tomorrow's air space and cyberspace dominance. Your Air Force has taken prudent actions to ensure we remain the most respected air and space force in the world.

We appreciate your unfailing support for the men and women of our Air Force, and I look forward to your questions.

[The prepared statement of General Brady follows:]

PREPARED STATEMENT BY LT. GEN. ROGER A. BRADY, USAF

INTRODUCTION

Mr. Chairman and distinguished committee members, thank you for the opportunity to be here today. Our airmen have been continuously deployed and globally engaged in combat missions for more than 16 straight years—since the first F–15 touched down in Saudi Arabia in August 1990. Today, airmen are fully engaged in the interdependent joint fight and stand prepared for rapid response and conflict across the globe.

Our priorities are clear: winning the global war on terror and preparing for the next war; developing and caring for our airmen to maintain our competitive advantage; and modernizing and recapitalizing our aircraft and equipment to meet 21st century challenges. We have been involved in a critical recapitalization and modernization effort for our aging air and space force. Budgetary pressures forced difficult choices to ensure that the Air Force would maintain the right balance across our personnel, infrastructure, readiness and investment portfolios.

The Air Force undertook significant personnel reductions to generate funds to reprogram toward systems recapitalization and modernization, congruent with our three key mission priorities. While this has been difficult, it has also provided the impetus for a hard look at our business processes and organizational structure. At the same time, we have placed equal emphasis on improving the education, training, and care of our airmen.

FORCE SHAPING

When the Air Force began to develop a long-term force structure plan, we started with divestment of legacy aircraft. While we have achieved some success, significant investment gaps remain. Moreover, the costs of personnel continue to rise. Personnel costs have increased significantly in the past decade. In early 2006, budget guidance directed additional end strength reductions over the FYDP. We approached force shaping with two priorities. First, the reduction will result in a balanced force. We will increase manning in stressed career fields and expand opportunities for career development and training. Second, we will optimize voluntary actions before implementing involuntary reduction programs. Our goal is a lean, more capable, more lethal Air Force, organized, trained, and equipped for our global, expeditionary mission.

We tailored our personnel mix to the new security environment by using a variety of force shaping tools across the personnel inventory. We authorized implementation of annual Force Shaping Boards (FSBs) for officers with less than 5 years of service. The fiscal year 2006 FSB identified officers in overage career fields for separation while balancing career fields and officer commissioned year groups. Prior to the board, eligible officers were offered voluntary options to transition to other forms of

service in and out of the Air Force. The Air Force also waived most Active Duty Service Commitments (ADSC) to allow officers to separate early. In addition, the Air Force is offering Voluntary Separation Pay to officers in overage career fields who have 6 to 12 years of service. The expanded authority granted in the National Defense Authorization Act for Fiscal Year 2007 gives us additional flexibility which we appreciate. We also convened a Selective Early Retirement Board to identify retirement-eligible officers for early retirement. Again, our goal was to shape the force by using a variety of tools across the officer force rather than have only one segment bear the brunt of reduction activity.

To achieve the required reductions of enlisted airmen, the Air Force instituted a date of separation rollback for personnel with limitations on their assignment or enlistment eligibility. We also offered a limited number of ADSC waivers for eligible members in overage career fields. These initiatives to shape the enlisted force join the tools already in place: Career Job Reservations, reduction in accessions, and the Noncommissioned Officer Retraining Program.

These reductions are difficult but necessary to ensure the Air Force maintains the right size and mix of forces to meet the fiscal and global challenges of today and tomorrow.

Our Airman & Family Readiness Flights stand ready to assist our airmen and their families with the transition back to the civilian community. Preparation counseling provides information and referral for benefits, services, and resources. Assistance includes individual transition plans, Federal and private employment resources and recruiting events, resume preparation, and electronic job searches. Our partnership with the Departments of Labor and Veterans Affairs also provide for seamless assistance for VA benefits claims, disability assistance and state employment assistance.

PERSONNEL SERVICES DELIVERY

To achieve the Secretary of Defense's objective to shift resources "from bureaucracy to battlefield," we are overhauling Air Force personnel services. Our Total Force (Active Duty, Air Force Reserve, Air National Guard, and Civilian) Personnel Services Delivery initiative dramatically modernizes the processes, organizations and technologies through which the Air Force supports our airmen and their commanders.

Our goal is to deliver higher-quality personnel services with greater access, speed, accuracy, reliability, and efficiency. The Air Force plans to program the resulting manpower savings to other compelling needs over the next 6 years. This initiative enhances our ability to acquire, train, educate, deliver, employ, and empower airmen with the needed skills, knowledge, and experience to accomplish Air Force missions.

NATIONAL SECURITY PERSONNEL SYSTEM

Our civilian workforce is undergoing a significant transformation with implementation of the DOD National Security Personnel System (NSPS). NSPS is a simplified, more flexible civilian personnel management system that improves the way we hire, assign, compensate, and reward our civilian employees. This modern management system enhances the Air Force's responsiveness to the national security environment, preserves employee protections and benefits, and maintains the core values of the civil service.

NSPS design and development has been a broad-based, participative process that included employees, supervisors and managers, unions, employee advocacy groups and various public interest groups. As of 18 March 2007, the Air Force has implemented the human resource and performance management provisions for 38,918 eligible non-bargaining unit employees.

NSPS is the most comprehensive new Federal personnel management system in more than 50 years, and it's a key component in the DOD's achievement of a performance-based, results-oriented Total Force.

RECRUITING

As we prepare for an uncertain future, we are transforming the force to ensure we have the right sized and shaped force to meet emerging global threats with joint and battle trained airmen. We are becoming a smaller force, with a critical need for specific skills. We recruit, train and educate our airmen for the complex, multinational, and interagency operations of today, and with an eye on tomorrow.

Our recruiting force has met our recruiting mission through great persistence and dedication. From 2001 through 2006, we had a recruiting mission of 158,533 and accessed 160,603 for 101 percent of mission accomplishment. For 2007, the active

duty mission requirement is 27,800 and 6,486 new Airman have accessed up to this point with 12,122 waiting to enter Basic Military Training (BMT). We're on track to meet our goals. To date for fiscal year 2007, we've accessed 100 percent of our active duty goal, and accessed 101 percent and 104 percent of our Reserve and Guard accession goals, respectively.

Our Recruiting Service continues to find the right person, for the right job, at the right time and this is ever evident in our most critical warfighter skills. Recruiting Service has filled every requirement for Combat Controller; Pararescue; Tactical Air Control Party; Survival, Evasion, Resistance, and Escape; and Linguist since 2001. This has been accomplished through hard work and the significant assistance of Congress. These individuals are offered an Initial Enlistment Bonus (IEB) ranging from $3,000 to $12,000, depending on the job and length of enlistment.

The majority of our officer programs have met with mission success, but medical recruiting and retention remain a challenge. We are exploring options such as accession bonuses and enhanced college loan repayment programs, to better attract healthcare professionals.

RETENTION

In fiscal year 2007, we continued to manage and shape the force across and within skill sets to meet Air Force needs. Maintaining retention at acceptable levels through targeted retention programs such as Critical Skills Retention Bonus, Selective Re-enlistment Bonus, IEB, and Special and Incentive pays continues to be critical to this effort. Force shaping ensured active duty end strength met our long-term requirements. This effort is successful in no small measure because of your budgetary support.

Active duty Air Force and ANG met their overall officer and enlisted retention goals for fiscal year 2006. The Air Force Reserve met its officer retention goal but fell slightly short of its enlisted retention goal by 0.8 percent, attaining 99.2 percent of its goal. Even with these successes, some enlisted specialties in the active Air Force such as Air Traffic Control, Linguist, and Survival Evasion Resistance and Escape, for example did not achieve their overall retention goal. We will continue to offer these specialties a myriad of bonuses in addition to enhanced promotion opportunity.

Our most critical warfighting skills require a special retention focus to maintain combat capability due to critical manning and increased operations tempo demands placed on career fields including Pararescue, Combat Control, and Explosive Ordnance Disposal. Your budgetary support for these retention programs is critical to effectively manage the force and retain needed warfighting capability. Critical Skills Retention Bonus programs are judiciously and effectively targeted to provide the most return-on-investment in both dollars and capability.

Our warfighting airmen are committed to serving, including those experiencing high deployment rates. Combatant commander requirements and the global war on terrorism place high demands on pilots, intelligence, maintenance, civil engineers, and communication officers as well as enlisted airmen in aerospace maintenance, supply, transportation, munitions and weapons, fire protection, services, and security forces. Despite an increased operations tempo and deployment rate, retention statistics for these career fields mirror the Air Force average. A key element for our overall success in retention is our ability to continue to offer bonuses and incentives where we have traditionally experienced shortfalls.

FORCE DEVELOPMENT

Spanning 6 decades of Air Force history, particularly over the past 16 years, our airmen have proven themselves as the global first responders in times of crisis—taking action anytime, anywhere. The foundation for this well-deserved reputation is the quality and frequency of the training and education we provide. Our Air Force training initiatives continue to evolve, improving our ability to develop and retain the world's best air, space, and cyberspace warriors—expeditionary, knowledge-enabled, ethical, and prepared for the interdependent fight.

As part of our Air Force Transformation, we changed Air Force BMT curriculum to stress an expeditionary mindset in all phases of training, providing airmen with more expeditionary capability from day one. These changes are the most significant in BMT history. The Air Force basic training experience now mirrors the AEF cycle with predeployment, deployment, and reconstitution phases. We emphasize basic war skills and practical application throughout BMT. Finally, we have added "Airman's Time," mentoring sessions in which our veteran instructors share their real world experiences, relate daily training events to warrior and airmanship qualities, and reinforce the Core Values expected of all airmen.

We are moving beyond traditional Air Force and joint warfighting skills development. Our educational programs provide increased opportunities for airmen to receive focused cultural and language training, facilitating greater professional interaction, deeper understanding, and more effective operations.

The expanded instruction includes cultural awareness, regional affairs, and foreign language proficiency. All Air Force Academy cadets and Reserve Officer Training Corps (ROTC) non-technical scholarship cadets will be required to take language courses. Additionally, both Academy and ROTC cadets have increased opportunities for Foreign Language and Area Studies degrees and have expanded Cultural Immersion and Foreign Exchange Programs. Our enlisted BMT also will provide instruction on cultural sensitivity.

Once in the Air Force, each level of officer and enlisted professional military education (PME) provides additional cultural/regional instruction and some foreign language instruction, developing leaders who can articulate U.S. policy and operate effectively in foreign settings. Furthermore, we will increase Developmental Educational opportunities for global skills, including overseas PME and the Olmstead Scholars Program. We will then vector these airmen into Political-Military Affairs or Regional Affairs Strategist career tracks, maximizing America's return-on-investment.

CARING FOR AIRMEN

The Air Force is wisely shifting a portion of funding from manpower and base operating support to address our critical recapitalization requirements. However, we understand that to maintain combat capability we must continue to balance our modernization of our weapons systems with development of airmen who are ready, willing, and able to employ them. To that end, we are finding innovative ways to transform our community support services and programs while avoiding unnecessary impacts to services delivered. One way we are transforming is through the headquarters realignment of Air Force Services from Logistics to Manpower and Personnel. This transition opens the door to increased efficiencies and a more seamless approach to customer service. We remain committed to ensure the needs of our airmen and their families are met.

Taking care of our seriously wounded, injured, or ill airmen is a top priority. We continue to expand the Air Force Survivor Assistance and Palace HART Programs in an effort to provide the best possible individual service to these airmen and their families. The heart of the Survivor Assistance Program is the Family Liaison Officer (FLO) who is assigned to each patient for the duration of their need. The FLO serves as a single point of contact between the airmen and the numerous helping agencies. Our FLOs provide a critical resource to deal with the unfamiliar routine of the recovery process and prevents the Airman from being lost in the bureaucracy.

Similarly, the Palace HART Program assigns a Community Readiness Coordinator (CRC) when a servicemember casualty notification is made. The CRC works closely with the FLO to ensure the combat related injured or ill servicemember and their family receives complete information and entitlements. Later, if the member is not returned to active duty, the Palace HART Program assists with Federal employment, entitlements and benefits information, financial resources, family support, and more. The member is tracked monthly for 5 years after separation or retirement.

Our Fit to Fight program and food service operations are cornerstones of combat capability. Airmen who are well-fed and physically fit are healthier, think more clearly, handle more stress, and are better able to complete the mission despite reduced sleep and extended hours. This translates directly to increased combat capability from our most important weapon system—our people.

We are also focused on providing quality, available and affordable child and youth development programs to airmen and their families through an extensive system of programs and services both on and off the installations. A recent national study highlighted the DOD child care program as leading the Nation in quality standards and effective oversight. We are proud of the Air Force's contribution to this program and believe that our child care program is a critical factor in helping airmen remain focused on the mission.

Our Airman and Family Readiness professionals are helping airmen and their families adapt to the realities of life in an Expeditionary Air Force. They do this through personal and family readiness counseling, personal financial management, Air Force Aid assistance, spouse career planning, and transition and relocation assistance. Experts in the Equal Opportunity and Sexual Assault Prevention and Response arenas help every airman exercise positive and productive interpersonal relationships, in both professional and personal interactions. The Air Force is a family,

and our clubs and recreation programs foster and strengthen those community bonds, and promote high morale and an esprit de corps vital to all our endeavors.

Additionally, we are equally committed to ensuring that all airmen are well trained and provided with modern, safe and efficient equipment and facilities to complete their mission. We provide life-sustaining support, such as food service and lodging, to our troops in the field and essential community programs to our airmen and their families back home. Through innovative systems and programs and the hard work of our dedicated personnel we continue to provide critical mission capability for our commanders and vital support for our members and their families.

CONCLUSION

Today's airmen are performing at the high standards that have been our hallmark for as long as there have been American airmen. Our airmen are fully prepared and engaged today, and we must continue to invest to ensure tomorrow's air, space, and cyberspace dominance. We have taken prudent actions to ensure your Air Force remains the most respected air and space force in the world.

We appreciate your unfailing support to the men and women of our Air Force, and I look forward to your questions.

Senator BEN NELSON. Thank you, General.

General Rochelle, what is the Army's actual end strength today?

General ROCHELLE. The Army's actual end strength today, sir, is 507,000.

Senator BEN NELSON. Can we reach 518,000 by the end of this fiscal year?

General ROCHELLE. Sir, we can reach 518,000, and we plan to reach 518,000, by the end of this fiscal year.

Senator BEN NELSON. If we scale down the presence in Iraq in the next year, I think, as the American people expect, would you believe that 547,000 will be the right number for our end strength at that time?

General ROCHELLE. Sir, I wish I could predict the future that accurately, but I'm afraid I cannot. My commitment is to get us to 547,400, and then see where we are strategically, see where our Nation stands with respect to the global war on terror, and then take it from there.

Senator BEN NELSON. With respect to the recruiting goals, as of January 2007, the Army's end strength is about 502,000, going to 518,000, but how can the Army increase its end strength by 7,000 per year without increasing the recruiting goal?

General ROCHELLE. I'm glad you asked that question, Mr. Chairman. It's a combination of three things.

Senator BEN NELSON. Okay.

General ROCHELLE. First of all, what we anticipate to be very successful in recruiting, above the 80,000 regular-Army mission that U.S. Army Recruiting Command has; second, extraordinarily successful retention rates, and most especially, those retention rates are highest across our deployed and recently deployed forces; and third, extraordinarily successful—success in lowering attrition in initial-entry training, down from 2004, about 18.4 percent, to 7 percent today.

Senator BEN NELSON. I heard you say that you're not lowering your standards. Several colleagues have raised questions about whether or not that is the case—raising questions, in the sense of saying, "I hope that in changing the admission requirements, it doesn't actually lower the standards." Can you assure me and my colleagues that we're not dumbing-down just to try to make the goals?

General ROCHELLE. Sir, one can make a case, depending upon your point of departure. I had the good fortune of commanding U.S. Army Recruiting Command in 2004, when, based upon market conditions, based upon unemployment rates, based upon how close we were at that point to September 11, if you will, it was easy to bring our quality marks extraordinarily high. We are in a different climate today. Admiral Harvey spoke to it quite well. Propensity is declining.

Now, let me go back to the point of departure. The point of departure should be from DOD standards with respect to high-school-degree completion rates, I to IIIA upper-middle category rates, and Category IV rates. We will meet all of those, as I said in my oral statement.

Senator BEN NELSON. Okay, thank you.

General ROCHELLE. Yes, sir.

Senator BEN NELSON. Continuing, General Rochelle, Secretary Gates ordered the Services to report to him, by the end of February, their plan for—I think his word was "minimizing" the use of stop loss. Does the Army have a plan to minimize its use of stop loss? Can you tell me where we are in that process right now?

General ROCHELLE. Sir, we have submitted a proposal to the Office of the Secretary of Defense laying out our plan to minimize stop loss. There is no mandate to eliminate stop loss. I'd like to make that a matter of the record nor is there a mandate, as I said. But we have submitted that plan to the Secretary of Defense. It includes many things, such as attempting to ensure that we are not assigning individuals to a unit that is in the ready phase. Mr. Chairman, that becomes a challenge, however, given the fact that we are now accelerating many of our units. But those are the types of things that we are proposing.

Senator BEN NELSON. All right.

General ROCHELLE. We believe we can minimized stop loss.

Senator BEN NELSON. What would "minimize" consist of? Using it less, for a shorter period of time? Or what does "minimizing" consist of?

General ROCHELLE. Excellent question, Mr. Chairman. Let me give you my definition.

At any given time between our Active component and our Reserve component, both elements of the Reserve component, the Army has roughly 10,000 soldiers who are stop-lossed; 7,000 of those are Active, 3,000 are Reserve and National Guard. "Minimizing," in my definition, means that we reduce those numbers across both components, to the optimum levels possible.

Senator BEN NELSON. Okay. Thank you.

General ROCHELLE. Yes, sir.

Senator BEN NELSON. Admiral Harvey and General Brady, as you are reducing your end strength, are you of the opinion that you're not reducing or drawing down too fast?

General Brady?

General BRADY. I think that our drawdown plan has been driven, in large measure, by our need to recapitalize a rapidly-aging fleet. We have accelerated our drawdown to accommodate that reality. What we have done is to make sure that, as we draw down, we are focusing on retaining those skills in the appropriate numbers to

make sure that we support the Air Expeditionary Force. In other words, the support of the warfighter forward is our primary responsibility, and we've not compromised any in that regard, nor in the training of the people that are going forward to do that. So, as I mentioned in my oral statement, this is a challenge, and we shouldn't fool ourselves. We think we are managing some risk in doing this. But it is the budgetary situation that we find ourselves in.

Senator BEN NELSON. But you do believe you're managing the risk that this presents.

General BRADY. Yes, sir, we do.

Senator BEN NELSON. Admiral Harvey, the same question.

Admiral HARVEY. Yes, sir. We started down this road about 4 years ago. To the point you made in your statement about the war being with us for 4 years, at that time we had five carrier battle groups forward deployed, with a sixth coming out the gate, 80,000 sailors deployed to support the opening stages, the opening first months of Operation Iraqi Freedom. We had 300,000 sailors ashore in that force, about 385,000 total. Today, we have 342,000 on the Active component. We have five carrier battle groups underway, three forward-deployed, two in training. We have the requisite number of sailors ashore to do the work ashore. So, the drawdown has been carefully mapped out, and we've followed that path pretty religiously for the last 4 years. It's focused first on the work. What is it we have to do? We now have the BRAC's infrastructure is known. We have a fleet target of about 313 ships, about 3,800 tactical aircraft, so we know the operational structure we have to maintain, and we have our revolution in training that we've been working through for 4 years that significantly reduced the amount of support structure, support sailors we had to have to sustain the combat capability we are deploying.

So, sir, we'll never be comfortable, but I am confident that I can look you and our sailors in the eye and say we are proceeding with dispatch, but we are also proceeding carefully. We measure this out before we go. We know where we're going. We're confident we're going to reach our end state of about 322,000 sailors and still be able to deliver the combat capability this Nation demands, and give our sailors a quality of service that they deserve.

Senator BEN NELSON. Managing the risk is what this is going to be about, and I wish you well, and I certainly am hopeful that you'll be able to do so, because we have so much depending on it.

Admiral HARVEY. Yes, sir.

Senator BEN NELSON. General Rochelle and General Coleman, we're concerned about the continuing reports of sexual assault on our servicemembers, especially those who were assaulted by fellow servicemembers while deployed. The victims of sexual assault frequently suffer long-term effects, including PTSD from the assault. An article in the March 18, 2007, New York Times magazine describes the impact of sexual assaults in service and combat zones on female servicemembers. Are the Army and Marine Corps aware of these sexual assaults occurring in the combat zones, as I'm sure you are, but at the level that they seem to be occurring? Are you aware of the many reports made by the female servicemembers stating that they suffer from PTSD as a result? Finally, what is

being done to help stop the sexual assaults, to the extent it's possible to reduce them, and to help female servicemembers who have been victims of such sexual assaults?

I'll start with you, General Coleman. Give General Rochelle a break here for a little bit.

General COLEMAN. Yes, sir. Thank you, sir. Unfortunately, the numbers are up. I would venture to say that part of the reason is because we have encouraged our marines to come forward. I would say the good news is that they are coming forward. The bad news is that they're coming forward, because one sexual harassment case is one too many. We are holding our servicemembers accountable for every case that is substantiated, and we will continue to do all that we can to ensure that it does not happen again.

Senator BEN NELSON. Without being naive, is additional training one of the ways to at least curb or reduce the number of assaults?

General COLEMAN. Yes, sir, that's absolutely right. We are training. I just think that you could never train too much in those instances. I'm a father with five daughters. I don't think that you could ever justify a sexual assault or sexual harassment. But I can tell you, your Marine Corps is doing all that they can to continue training and also continue to encourage victims to come forward.

Senator BEN NELSON. General?

General ROCHELLE. Chairman Nelson, the Army is absolutely committed to making sure that we do not only everything we can to prevent sexual assault and sexual harassment, but, equally, that we are providing victims of sexual assault with every remedy possible to make them whole.

You mentioned training, and I think that's where the Army is perhaps in the forefront. I make no comparison to my sister Services and my brothers sitting here. But we have recently prepared a very, very good training video, the opening comments of which are given by our Vice Chief of Staff of the Army, General Dick Cody, and the closing comments are given by the Sergeant Major of the Army, Sergeant Major Kenneth Preston, that is going to be incorporated in our existing training vehicles that will be Army-wide, and we are integrating those with a review of all of our sexual harassment and sexual assault training vehicles and tools.

Senator BEN NELSON. Are you pursuing vigorously reporting and prosecution, wherever appropriate?

General ROCHELLE. Sir, we are. We are investigating with our Criminal Investigation Division all unrestricted reports. Those are reports that go into our criminal systems and come up through command channels. I'm pleased to say that the restricted reporting procedure that went into effect in 2005 appears to have given not only greater awareness, which is what General Coleman spoke to—greater awareness to what sexual assault is, what it looks like, and certainly what sexual harassment looks like.

General COLEMAN. Sir, if I could add, in every case in the Marine Corps where a case of sexual assault was substantiated, disciplinary action was taken; and, most frequently, courts-martial.

Senator BEN NELSON. What about follow-up care to the victim of such assaults? Is that being pursued, as well?

General ROCHELLE. Sir, it is, to include counseling, as well as, obviously, any physiological care that's required, but, most espe-

cially, counseling, and by case managers, a little bit like we—the case-manager model that we use for our wounded warriors, that is being provided, as well.

General COLEMAN. Same thing, sir.

Senator BEN NELSON. Same?

General COLEMAN. We do have follow-up.

Senator BEN NELSON. I have a few other questions, but I think we could submit them for the record.

Is there anything else that you'd like to tell the subcommittee on the record regarding preparation or other requirements that you might think that we should be considering?

General ROCHELLE. Mr. Chairman, I'd like to take an opportunity, since you've opened the floor—and I appreciate it. First of all, I'd just simply like to say, for the record, that the Army is doing everything possible we can do to make our wounded warriors whole, in every sense of the word. The earlier panel, you addressed some questions to those distinguished gentlemen regarding the Medical Evaluation Board (MEB), Physical Evaluation Board (PEB)—I wish to assure you, I wish to assure our soldiers, family members, and the American people that we are absolutely committed, through compassion for our soldiers, we value what they bring to the table for the American people, and we certainly respect their sacrifices. As General Cody has said, as the Chief of Staff of the Army has said, as Acting Secretary of the Army Pete Geren has said, we will get this right. We're committed to doing that. Thank you.

Senator BEN NELSON. Thank you, General.

Any other comments?

Admiral HARVEY. Yes, sir. Just two points, sir, now that you've offered the opportunity. I would just ask that we continue to receive not only the support of this committee, but also the support, wherever we can, for the concept of service. This is an All-Volunteer Force, an All-Recruited Force. The propensity to enlist, in every demographic group in this Nation, has never been lower since we started measuring that propensity. The propensity of those who influence these young men and women to consider military service has also never been lower. It is a daunting situation that we face each day, and, certainly in my own part, the first thing I think about in the morning when I get going is recruiting, and it's the last thing I think about in the night when we're done. So, it is a very, very difficult environment we're in, and we're going to need the support, not just of this Congress, sir, but we need the understanding of this Nation for what an All-Volunteer Force is about, and what it takes to sustain that force.

On one smaller point, sir, I know we're going to go into great detail on the processes that you mentioned in the earlier panel about MEBs, PEBs. As we go through that and seek to streamline, make it easier for the individual who is faced with that process to navigate that process and get to the right result, we can get it fast, and we can get it wrong. The existing process provides an awful lot of opportunities for each sailor to contest a finding at every point along the way. As we seek to gain efficiency, I don't want to place at risk that ability for every step in that tough process sometimes—that our sailors can stand up and say, "No, I disagree," and

we provide that individual counsel and counseling in how to make that disagreement public. So, those rights need to be protected as we seek to make this process smoother and more efficient overall, sir.

Senator BEN NELSON. I would agree.

General COLEMAN. Sir, I'd like to jump on the bandwagon of the recruiting. As the Army and the Marine Corps increase in strength—and the four of us are all—our Services are all after the same great young men and women—it's important that all folks know that it's a noble thing to serve your country. So, if we could continue to have your support in that line, I'd certainly appreciate it.

Then there's nothing more important than the ability of Congress to provide the funds available to ensure that our men and women have the right equipment at the right time at the right place. If we can continue that, that's all we can ask, sir.

Thank you, sir.

Senator BEN NELSON. Thank you, General. There's no question but that preparation, training, and equipping the men and women that we ask to serve has to be one of the highest priorities that this committee can ever consider.

General BRADY. Sir, two quick points, and it gets to care of wounded. We don't have as many wounded as the ground forces have, but we do have what we consider a significant number. We are aware also that despite our best efforts, there will be a horror story out there, and we are proactively looking for that horror story. We are having our own audit agency look at our process, in terms of MEBs, PEBs, to make sure that we're doing that in the best interest of the servicemember.

I'd like to also make a final statement that picks up on the point you just made, and that is—we talk a lot about quality-of-life, and that's important, but an important aspect of quality-of-life is making sure that our soldiers, sailors, airmen, marines, and coastguardsmen have the equipment and the training that allows them to prevail in the battlespace. That means the best equipment we can give them. So, recapitalization and providing equipment cannot be overstated.

Senator BEN NELSON. Thank you very much, all of you, and to all the men and women that you're recruiting and all those who are serving abroad and at home, we appreciate very much that service. As important as compensation and all the things that you have to deal with in order to attract the right men and women to join the Services, there is nothing more important than patriotism. What we really have to do is continue to encourage people to think of what public service is, but also what serving their country is, when it comes to the military. So, I thank you for what you're doing, and I wish you the best of luck. We're all counting on you to be able to make the military as strong as it can possibly be, with the right men and women.

Thank you. We are adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CLAIRE MCCASKILL

PATIENT FEEDBACK

1. Senator MCCASKILL. Dr. Jones, the ability to freely transfer medical records between the Veterans Affairs (VA) and the Department of Defense (DOD) has been a long sought after capability. However, while the DOD and the VA have developed systems for electronic medical recordkeeping, the ability to share medical records has defied the two agencies. When do you think the capability to share electronic medical records will be achieved?

Dr. JONES. In fact, the DOD and the VA share a significant amount of health information today. Beginning our electronic sharing in 2002, the Departments constantly seek to expand the scope of our capabilities. By the end of 2007, DOD will be sharing electronically with VA nearly every health record data element identified in our VA/DOD Joint Strategic Plan (JSP) for health information transfer. By 2008, we will be sharing the remaining health record data elements identified in the VA/DOD JSP.

Currently shared electronic medical record data:

- Inpatient and outpatient laboratory and radiology results, allergy data, outpatient pharmacy data, and demographic data are viewable by DOD and VA providers on shared patients through Bidirectional Health Information Exchange (BHIE) from 15 DOD medical centers, 18 hospitals, and over 190 clinics and all VA facilities.
- Digital radiology images are being electronically transmitted from Walter Reed Army Medical Center (WRAMC) and National Naval Medical Center (NNMC) Bethesda to the Tampa and Richmond VA Polytrauma Centers for inpatients being transferred there for care.
- Electronic transmission of scanned medical records on severely injured patients transferred as inpatients from WRAMC to the Tampa and Richmond VA Polytrauma Centers.
- Pre- and Post-deployment Health Assessments (PDHAs) and Post Deployment Health Reassessments (PDHRAs) for separated servicemembers and demobilized Reserve and National Guard members who have deployed.
- When a servicemember ends their term in service, DOD transmits to VA laboratory results, radiology results, outpatient pharmacy data, allergy information, consult reports, admission, disposition and transfer information, elements of the standard ambulatory data record, and demographic data.
- Discharge Summaries from 5 of the 13 DOD medical centers and hospitals using the Clinical Information System (CIS) to document inpatient care are available to VA on shared patients.

Enhancement plans for 2007:

- Expanding the digital radiology image transfer capability to include images from WRAMC, NNMC, and Brooke Army Medical Center (BAMC) to all four VA Polytrauma Centers.
- Expanding the electronic transmission of scanned medical records on severely injured patients from WRAMC, NNMC, and BAMC to all four VA Polytrauma Centers.
- Making available discharge summaries, operative reports, inpatient consults, and histories and physicals for viewing by all DOD and VA providers from inpatient data at all 13 DOD medical centers and hospitals using CIS.
- Expanding BHIE to include all DOD facilities.
- Making available encounters/clinical notes, procedures, and problem lists to DOD and VA providers through BHIE.
- Making available theater outpatient encounters, inpatient and outpatient laboratory and radiology results, pharmacy data, inpatient encounters to include clinical notes, discharge summaries, and operative reports to all DOD and VA providers via BHIE.
- Beginning collaboration efforts on a DOD and VA joint solution for documentation of inpatient care.

Enhancement plans for 2008:

- Making available vital sign data, family history, social history, other history, and questionnaires/forms to DOD and VA providers through BHIE.
- At Landstuhl Regional Medical Center, Germany, making available discharge summaries, operative reports, inpatient consults, and histories and physicals to VA on shared patients.

2. Senator MCCASKILL. Dr. Jones, what are the major obstacles, what resources do you need to accomplish this goal, and do you have them?

Dr. JONES. Our current and planned sharing initiatives described in our answer to your first question are funded with one exception. We mentioned that we are beginning collaboration efforts on a DOD and VA joint solution for documentation of inpatient care. A comprehensive electronic health record (EHR) to include inpatient care is DOD's goal; however, the first priority for Armed Forces Health Longitudinal Technology Application, the DOD EHR, was to address ambulatory care. VA is embarking on a modernization of its EHR to include the inpatient component.

Since each Department was planning a new inpatient electronic record acquisition or modernization, DOD and VA have initiated this joint assessment project. We anticipate a contract award to a study support contractor in May 2007. A 6-month study will produce an initial recommendation on the feasibility of a joint acquisition/development strategy for an inpatient EHR. The Departments will then pursue follow-on activities to evaluate alternatives for funding and for selecting a technical solution over a subsequent 6-month period.

3. Senator MCCASKILL. Dr. Jones, a recent New York Times article highlighted the challenges faced by women veterans in the wake of combat service. What programs exist within DOD to address the unique treatment requirements, especially in psychological treatment fields, of women soldiers?

Dr. JONES. The following DOD programs address the unique deployment health concerns for all servicemembers. One must note that Post-Traumatic Stress Disorder (PTSD) and sexual assault are not gender specific and affect both male and female servicemembers.

- The PDHA is a screening program during in-theater medical out-processing or within 30 days after returning to home station. The purpose of this screening is to review each servicemember's current health, mental health, or psychosocial issues commonly associated with deployments, special medications taken during deployment, possible deployment-related occupational/environmental exposures, and to discuss deployment-related health concerns. Positive responses require further assessment and/or referrals for medical consultation and information on other resources available to help resolve any post-deployment issues.
- The Post-deployment Health Reassessment (PDHRA) program is designed to identify and address health concerns, with specific emphasis on mental health, that have emerged over time since deployment. The PDHRA provides for a second health assessment during the 3- to 6-month time period after return from deployment. The PDHRA is offered to all servicemembers who have returned from operational deployment, including all Active Duty, National Guard, and Reserve members, as well as those who have separated or retired since their return from deployment.
- The DOD Sexual Assault Prevention and Response Program is designed to prevent and eliminate sexual assault within the Department by providing comprehensive procedures to better establish a culture of prevention, response, and accountability that enhances the safety and well-being of all DOD members.
- DOD established protocol to ensure a consistent level of care and support for victims of sexual assault, and implemented a fundamental change in how the Department responds to sexual assault by instituting the option of confidential reporting for victims of sexual assault. With a restricted reporting option, the sexual assault victim can confidentially disclose the details of the assault to specified individuals and receive medical treatment, mental health/counseling, and advocacy without automatically triggering the official investigative process. Restricted reporting also provides victims the time, care, and empowerment to consider changing to unrestricted reporting and pursuing an investigation at a later date. Regardless of which type of reporting is chosen, medical services offered to victims of sexual assault include the ability to elect a Sexual Assault Forensic Examination (SAFE) in addition to the general medical management related to sexual assault response. Case Management services are provided for victims choosing unrestricted reporting, to include coordination with the victim advocate, military criminal investigator, military law enforcement, health care provider and mental health/counseling services, chaplain, command legal representative or staff judge advocate, and the victim's commander. The team carefully considers and implements immediate, short-term, and long-term measures to help facilitate and assure the victim's well-being and recovery from the sexual assault.

4. Senator MCCASKILL. Dr. Jones, do you think the Department has dedicated sufficient treatment and research resources to women soldiers in the wake of their particularized needs following combat service? What more do you think we should be doing?

Dr. JONES. PDHA screening and the PDHRA Program reaches all servicemembers regardless of gender. Health care issues that are identified through screening are assessed and referrals for appropriate care are initiated. Data from the PDHA and PDHRA are sent to the Army Medical Surveillance Activity for inclusion in the Defense Medical Surveillance System. Force health data, service data, and gender-specific health data, both in-theater and in-garrison, are examined and compared.

There are a number of research projects that have been completed or are currently in progress that address force health protection and readiness deployment issues. Research programs in this area are to safeguard the health of servicemembers before, during, and after deployment. PTSD is a major area of focus, with several studies looking at both men and women veterans. One study investigates cognitive-behavioral treatment for PTSD in women; however, most studies are not gender specific.

The Defense Advisory Committee on Women in the Services is currently conducting focus group research looking at women's health care in Operation Iraqi Freedom (OIF)/Operation Enduring Freedom (OEF). Research findings and recommendations for women's health care in-theater will be provided to the Under Secretary of Defense for Personnel and Readiness at the completion of the study.

In June 2006, the DOD Sexual Assault Prevention and Response Program was revised to provide victims with the option of restricted or unrestricted reporting. The restricted report allows the victim to obtain medical services and counseling and the collection of forensic evidence without disclosure to law enforcement or the chain of command. Victims who come forward and report, either by restricted or unrestricted reporting, can access medical and other services needed for treatment and recovery. Across DOD, sexual assault response coordinators and victim advocates were hired and trained, and are available at all locations, including deployed areas. Resources are available for reporting and treatment of sexual assault victims, when they are reported.

5. Senator MCCASKILL. Dr. Jones, I recently proposed an amendment to the Fiscal Year 2007 Wartime Supplemental Appropriations Bill that would have required a study on the mental health care and readjustment needs of servicemembers returning from service in Iraq and Afghanistan. This study was to be conducted by the National Academy of Sciences and was to be modeled on the landmark 1983 National Vietnam Veterans Readjustment Study, a study that was not conducted until 15 years after the height of the Vietnam conflict.

Can you tell me whether you think sufficient research resources are being dedicated to studying the landmark injuries of these wars, such as PTSD and Traumatic Brain Injury (TBI)?

Dr. JONES. Both the DOD and the VA are focused on OEF/OIF servicemembers and veterans and their health issues, as well as health outcomes. In DOD, we conduct health assessments as servicemembers leave the theater of operations and 3 to 6 months after they return home. These health assessments are scrutinized for the symptoms or concerns that may be related to the deployment. Physical health issues such as TBI and mental health issues such as PTSD are at the top of the list of concerns. We are not only interested in determining if symptoms are present, but also in determining the functional capabilities of each individual. If further medical evaluation or treatment is recommended, we work to track and determine health outcomes, such as return to duty or medical retirement/separation. We share with VA the names and social security numbers of the OEF/OIF veterans who leave Active Duty, including those who return to National Guard or Reserve status. VA notifies these individuals of their earned VA benefits, advises of the availability of 2 years of VA medical care for issues that may be related to their deployment, and tracks their use of VA medical services.

The VA and DOD are coordinating on how to design or develop better systems, including research initiatives by experts in and out of the Federal Government to continue to monitor and enhance health outcomes for these OEF/OIF servicemembers.

6. Senator MCCASKILL. Dr. Jones, have we sufficiently empowered scientifically based, independent research agencies to conduct this research?

Dr. JONES. The DOD has an aggressive research program, including many initiatives in the Peer Review Medical Research Program, and we actively solicit the assistance of the National Institutes of Health to assist our research efforts.

7. Senator MCCASKILL. Dr. Jones, do you believe now is the time to embark on a broad, landmark study of reintegration and mental health treatment for our returning combat veterans?

Dr. JONES. Any executable research premise must be validated by a scientific process. Today, some 800,000 OEF/OIF veterans have left Active Duty after returning from theater and returned to the civilian world. Over half of those individuals continue to be members of the National Guard or Reserves. Some 500,000 Active Duty servicemembers have deployed to OEF/OIF at least once and returned to their duty stations.

To study the reintegration of these individuals would require the development of measurable criteria for successful versus unsuccessful reintegration, the willingness of these individuals to participate in such a study, defining a comparison population, and then a many year or decades long study to reach a conclusion. Locating and contacting those individuals who are no longer on Active Duty may be problematic.

A study on mental health treatment would require developing a definition of "mental health treatment," building a centralized list of individuals who are getting "mental health treatment," and looking at medical outcomes. Other considerations include the protection of personal health information and potential concerns about being included on such a national list. In our society, the majority of "mental health treatments" is given in primary care, not necessarily by mental health providers. Other related support is provided by clergy, online resources, and telephone help centers.

The 2005 RAND Corporation study, "How Deployments Affect Servicemembers", produced specific recommendations regarding family support, communications, stress management, mental health care, adaptive training, less ambiguity in deployment dates, and compensation adjustments that may mitigate some adverse effects of combat deployments, and facilitate reintegration of combat veterans.

The ongoing Millennium Cohort Study will also contribute vital information about the long-term effects of military and combat service, with recurring assessments of the cohort through 2022.

8. Senator MCCASKILL. Dr. Jones, in my review of the recent scandal at WRAMC and within military health care, I was particularly disturbed by the lack of empowerment of many military health care patients. Negative feedback appeared to be insufficiently solicited and, even more troubling, often ignored or dismissed. Knowing that patient feedback is critical to monitoring the successes and failures in a treatment system, has the Department considered enacting a Department-wide patient feedback system that will both provide important feedback to providers but also permit grading of various military medical treatment facilities on successes and failures across uniform areas of evaluation?

Dr. JONES. The Military Health System has long used surveys to solicit feedback from its patient population. We are developing new surveys to specifically study the care of our wounded warriors. The Wounded Warrior Telephone Survey will be in the field in early May 2007. The purpose of the survey is to provide quick, "pulse" information to identify the health care and transitional experiences of servicemembers and their families, post operational deployment. The survey results are expected in late June 2007. Additionally, we are developing a comprehensive mail/Web-based survey to gather more detailed information from our wounded warriors. This survey will be in the field in July 2007. The mail/Web-based survey results are expected in early September 2007.

9. Senator MCCASKILL. Dr. Jones, if patient satisfaction surveys are used within DOD hospitals, to what extent are they used, to what extent are they uniform, and how have you used these surveys in making management decisions?

Dr. JONES. Patient satisfaction surveys are performed on an ongoing basis by both the TRICARE Management Activity (TMA) and the Services, with management decisions made at the Service and TRICARE Regional Office level. Customer (patient) satisfaction is one of the top line measures in our Balanced Score Card that is reviewed quarterly by senior leadership. TMA conducts patient satisfaction surveys, to include the Health Care Survey of DOD Beneficiaries, the TRICARE Inpatient (Obstetric, Medical, and Surgical) Satisfaction Survey, and the TRICARE Outpatient Satisfaction Survey in Military Treatment Facilities (MTFs) and the network. The Services currently conduct numerous surveys, to include the provider level satisfaction survey in MTFs.

RECRUITING IMPROPRIETIES

10. Senator MCCASKILL. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, I have previously questioned General Casey, the nominee to be Chief of Staff of the U.S. Army, about improprieties conducted by recruiters. Specifically, I was concerned about misrepresentations made by recruiters to potential recruits about what the nature of the recruits' potential service would be—whether it be the dangers they will be exposed to, the potential for overseas deployment, the job they will receive, or otherwise. Can you please clarify what your Service is doing to ensure that the information provided to potential recruits is accurate and truthful?

General ROCHELLE. Trust is the bedrock of Army culture and a fundamental characteristic of the Warrior Ethos. Leaders and soldiers throughout our Army share your concern regarding the cases of improper misrepresentation of the risks associated with answering our Nation's call to duty during this time of sustained conflict, regardless of how few they may be. The Army will not tolerate such behavior from our recruiters, has made this point known to all, and commanders will take the appropriate actions to punish those who willfully violate the sacred trust placed in us by the American public. We fully understand that volunteering to serve in the Army is a person's commitment to defending this Nation and believe that each person must be made aware of both the benefits and risks that this commitment entails.

Admiral HARVEY. Navy leadership shares your concerns about recruiter improprieties and their impact on the public trust. Recruiter ethics and the assurance that accurate enlistment information is provided to every Navy applicant are clearly defined in Navy instructions, which guide the actions of our recruiting personnel. This includes, but is not limited to, recruiting ethics and providing enlistment information regarding military service obligation, enlistment programs, incentives, and Navy life.

General COLEMAN. Our recruiters receive extensive training concerning ethics and representing the Marine Corps truthfully. Our Service has always had a reputation for deployments into harms way. Therefore, we do not see this type of misrepresentation as an issue for the Marine Corps. We do understand that misunderstandings can occur and occasionally recruiter misconduct occurs. However, this is the exception and not commonplace.

General BRADY. Air Force Recruiting Service has a zero-tolerance policy and will not accept any recruiter purposefully misleading an applicant. Potential recruits are provided in writing information pertaining to the recruiting process and a contract confirming their selected job choice.

Every potential recruit is briefed on the job selection process and is guaranteed either a specific job or general job area based on their qualifications. Before being assigned a job or general area the recruit must confirm and sign for the job offered, even if it is on their list of choices. In addition, we have applicants read and sign a statement confirming they understand that we are an expeditionary force, that overseas deployment is likely, and that they have the potential of deploying as part of an Army unit.

Through initial and recurring training, our recruiters are trained on appropriate recruiting procedures and are consistently reminded of how purposely providing misinformation risks morale, good order and discipline, and unit cohesion, as well as damage Air Force image. While the percentage of recruiters actually found to have purposely passed on misleading information is negligible, once found, they have been administratively disciplined, removed from position or, in extreme cases, court-martialed.

Air Force recruiting policies and procedures are continuously reviewed to ensure our airmen uphold the highest moral and ethical standards. We believe our current procedures deter recruiters from providing inaccurate information and encourage them to provide accurate and truthful information to potential recruits.

11. Senator MCCASKILL. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, a recruiting battalion in the U.S. Army has decided, on a pilot basis, to place cameras in their recruiting stations. While I understand that much recruiting takes place away from the recruiting station, this endeavor strikes me as beneficial in multiple ways. For example, it protects recruiters from any potential violence that might be directed at them by those who might make the military a target in light of ongoing world events. Further, it protects potential recruits who will know that the conduct of the recruiter in their presence will be recorded and should there be an impropriety, it will be documented. The camera, in this sense, will also serve as a deterrent. Can you discuss whether

you think this is a valuable idea and whether it might be worth considering expanding the pilot and/or the practice? What would the costs be to enact such a measure?

General ROCHELLE. The United States Army Recruiting Command will conduct a Security Camera Surveillance Pilot Program in its New York City Battalion and expects to have security cameras installed in 38 of the battalion's stations by the end of May 2007. In high-crime incident areas, the employment of security cameras is a prudent practice; however, the security situation across the command does not warrant the universal installation of security cameras. In fiscal year 2006, the Army experienced less than 30 cases of vandalism/theft at its approximately 1,700 recruiting stations, nationwide. In light of this relative low-incident rate, the $5 million cost to install security cameras in all recruiting stations would exhibit poor stewardship of the funds the American people entrust to us for the defense of the Nation. As you have stated in your question, recruiting activities for the most part occur away from the station and the minimal deterrent effect that cameras will have on recruiting impropriety does not merit the cost of the program. Furthermore, the limited assistance cameras will provide leaders in identifying recruiting improprieties will pale in comparison to the loss of trust that we will experience from our subordinates. Technology will never be able to serve as a surrogate for the Army values of Loyalty, Duty, Respect, Honor, or Integrity nor can it replace the benefits of effective leadership.

Admiral HARVEY. While there may be many advantages to installing cameras in recruiting stations, much of the recruiting process and associated dialogue occurs away from the station. Remote monitoring of individual recruiting stations could improve the safety of personnel and property, act as a deterrent to improprieties, allow for analysis of walk-in traffic into the station, and provide use of the video footage as a training tool. Conversely, remote monitoring can present an appearance of distrust in honest and trustworthy personnel, and possibly raise questions regarding the personal privacy of potential applicants.

While installation of cameras may provide a means of increased security at recruiting stations, the DOD currently has a security contract with the Army Corps of Engineers, which has added security mitigations to more than half of Navy Recruiting Stations (NRS). Under this contract, additional stations will receive security mitigations each year in order of priority based upon determination of associated risk.

In some cases, installation of cameras may also deter some recruiting irregularities; however, since the nature of the recruiting business often calls for much of the associated dialogue to occur in locations outside of the recruiting stations, this would not offer a failsafe solution to mitigating improprieties.

A current Army pilot program uses local systems with Digital Versatile Disc (DVD) recordings that are mailed to a central location at an approximate cost of $1,800 per unit for equipment installation and $700 annually for purchase of DVDs, mailings, et cetera. This would equate to a start-up cost of $2.5 million, with an annual operating cost of $1 million to equip 1,400 NRS. This system has inherent problems associated with the possible compromise of DVDs on which possible improprieties may have been documented. While web-based real-time video feed would be a preferred application, the associated cost would increase significantly. We have estimated the initial cost of equipping 1,400 NRS with monitoring capability and video storage at $13.7 million for hardware installation with an annual operating cost of $370.5 million for data feed processing equipment at Navy Recruiting Command Headquarters. This approach would also require 30 additional personnel (26 network technicians, 2 network engineers, and 2 data management technicians).

While I remain committed to taking all reasonable measures to eliminate recruiter improprieties, I do not currently view the use of video surveillance as a practical or cost effective approach.

General COLEMAN. We do not see this to be an effective measure for deterring such activity. As stated in the question, much of the recruiting and discussions with applicants take place away from the recruiting offices. We also do not see this as a deterent to any type of protest against recruiters. Those who protest often seek media coverage. The cost of such a program would far outweigh any potential benefit. The cost of such an endeavor would require extensive analysis and is not currently available.

General BRADY. Air Force recruiters maintain the highest standards of our Service. In addition to internalizing the Air Force core values of Integrity, Service, and Excellence, all 1,200 recruiters have taken an Air Force Recruiter Pledge (signed and displayed in each office) to never mislead, lie to, or take advantage of a recruit. The pledge ensures that every recruit is treated as a future brother- or sister-in-arms. The integrity a recruiter introduces as the first "voice" of the Air Force serves as the benchmark. The stakes are high and so are our standards. Because of these

high recruiting standards and the cost of installing and maintaining these systems, the Air Force is not considering adding cameras in recruiting stations at this time.

The Air Force applauds the Army for taking measures it deems necessary to ensure the safety of its soldiers. The Air Force feels it has all the necessary measures and policies already in place to ensure the safety of both the recruits and the recruits.

Our estimates show that camera installation cost is $300 per office (for two cameras at each location). Based on our total number of offices, that Air Force Recruiting Service would spend approximately $360,000 for installation. Setup and monitoring would increase the cost considerably, and an additional system would be required to record the footage. In light of the cost of implementation and the high standards our recruiters already uphold, we believe placing cameras in Air Force recruiting stations will provide little added value.

12. Senator MCCASKILL. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, on several occasions, news agencies have conducted investigations using hidden cameras to view recruiter practices presented to a potential recruit. Unfortunately, these investigations have uncovered troubling practices by individual recruiters on several occasions. Does your Service's recruiting command conduct similar investigations using fake recruits to provide a check on recruiters?

General ROCHELLE. No, the United States Army does not employ this practice.

Admiral HARVEY. Navy Recruiting Command does not employ this method as a means of monitoring the practices or performance of Navy recruiters.

Nonetheless, we take very seriously the issue of recruiting improprieties and have robust methods for providing recruiters with direction, support, and counseling to reduce the likelihood of their compromising their own personal integrity or the public trust in Navy recruiting.

Formal opportunities are available to new recruits, upon reporting to Recruit Training Command to report instances of, or perceived, possible recruiter impropriety. All such allegations are thoroughly investigated by the Navy Recruiting Command Inspector General, who maintains a database to record, track, and identify isolated or systemic problem areas.

Navy Recruiting Command headquarters staff personnel routinely inspect each Navy Recruiting District to ensure that policies are being scrupulously followed, to report any irregularities, and, where irregularities are discovered, to initiate appropriate corrective actions and training.

General COLEMAN. No, Marine Corps Recruiting Command does not do similar investigations to check on recruiters.

General BRADY. No, we do not implement that practice. While some military recruiters have been called into question by news agencies using hidden cameras techniques, to date, no Air Force recruiters have been implicated during these interviews. In fact, several news agencies have praised Air Force recruiters for being honest and "upfront about the dangers of enlisting and the benefits of serving."

MILITARY PAY AND PERSONNEL PROCESSING SYSTEMS

13. Senator MCCASKILL. Secretary Chu, the DOD has embarked on an expansive effort to develop a uniform personnel and pay processing system. It is my understanding, however, that the Defense Integrated Military Human Resources System (DIMHRS) (Personnel/Pay) has experienced significant development problems. Can you update me on the status of the DIMHRS system and challenges that remain?

Dr. CHU. DIMHRS has not experienced significant development problems. It has experienced significant programmatic problems. The DIMHRS program was initiated in February 1998. The development contract was not awarded until September 2003. By that time, the funding stream no longer matched the revised development schedule. The Navy was the acquisition agent for DIMHRS from 1998 until 2005. In 2005, the DIMHRS program was not funded and there were many critical vacancies in the program management staff, including both the Program Manager and the Technical Director. The Department turned the program over to the Defense Business System Acquisition Executive (DBSAE) in the Business Transformation Agency (BTA). At that time, the DBSAE had to completely revalidate the program, the contracts, the costs, and the schedule. The program is now in the process of being rebaselined.

Although there are no problems with the development, there are some critical challenges that we face. Our legacy military personnel and pay systems are out of date and expensive to maintain. The Department wants to be aggressive in turning

these systems off and migrating to DIMHRS—but any migration of this type involves a lot of work that is not related to the development of the new system. As with all migrations, there are two primary challenges.

The first challenge is loading legacy data into the new system. All of the data on the careers of the current military personnel must be loaded into the new system from a large set of legacy systems. For each piece of data that is to be loaded, the authoritative source must be identified and an interface must be built to transfer the data from the legacy system to the new system. Conflicting data must be reconciled prior to loading; the more complex the legacy environment, the more complex the task.

The second challenge is change management. DIMHRS incorporates several transformational improvements, such as the integration of personnel and pay, the ability to provide cross-service support, and new self-service capabilities. The new system will look and feel different from the old systems and there will be new, streamlined processes. The Services are meeting the challenge with change management programs to educate and train their personnel on the new business rules, the new procedures, and the use of the new system.

14. Senator McCaskill. Secretary Chu, what has been done to address concerns raised by the Government Accountability Office (GAO) about DIMHRS?

Dr. Chu. The original report, "DOD Systems Modernization: Management of Integrated Military Human Capital Program Needs Additional Improvements," was completed December 14, 2004. There were a number of recommendations; the DOD did not fully concur with all of the recommendations. The GAO began a follow-up review in December 2006 that has not been completed. However, we continue to work the original recommendations as appropriate.

The recommendation of establishing a DOD-wide integrated governance structure for DIMHRS that vests an executive-level organization or entity representing the interests of all program stakeholders with responsibility, accountability, and authority for the entire DIMHRS (Personnel/Pay) program was addressed with the establishment of the Defense BTA. On October 7, 2005, the Deputy Secretary established the BTA and transferred the DIMHRS Program to the BTA. On December 1, 2005, the Deputy Secretary directed a series of actions relative to the DIMHRS program that included detailed analysis in the form of Service assessments. The Army's detailed analysis was completed in September 2006. The Air Force assessment began in January 2006 and was completed November 2006. The initial Navy assessment concluded in June 2006 and results were presented to the Defense Business Systems Management Council on July 26, 2006. The program is still in the process of rebaselining with the Army scheduled to implement DIMHRS (Personnel/Pay) in August 2008, followed by the Air Force in November 2008.

Specifically, we are working closely with the BTA, the Defense Business Systems Acquisition Executive and the DIMHRS Enterprise Program Manager (EPM) to jointly ensure an integrated, coordinated, and risk-based approach to all DIMHRS (Personnel/Pay) definition, design, development, and deployment activities is employed.

The DIMHRS (Personnel/Pay) requirements were complete and correct to the extent that any documentation can be correct before the transfer to the BTA. The design was fully traceable to the requirements, including the applicable financial system and accounting requirements. The rest of the documentation of requirements for DIMHRS was an innovative and unprecedented effort to ensure full traceability from documentation of requirements through design, development, and maintenance.

The DIMHRS requirements are consistent with the Business Enterprise Architecture for military personnel and pay. We continue to monitor legislative and policy changes that may affect DIMHRS (Personnel/Pay) requirements. When changes are required the appropriate change requests are created and submitted to the EPM for the next Configuration Control Board.

Finally, to address the recommendation for an integrated master schedule, the EPM developed an Integrated Master Program Schedule. This schedule is being used to guide design, development, and deployment to the Services and the Department. The EPM is in the process of establishing the baseline for Initial Operating Capability (IOC) and all future requests will be queued for a release after IOC to the first Service.

15. Senator McCaskill. Secretary Chu, it has been brought to my attention that the Marine Corps developed an interim personnel and pay system known as the Marine Corps Total Force System (MCTFS). I have been informed that MCTFS has proven a very successful, integrated system and that the Navy is interested in field-

ing MCTFS while they await final development and fielding of DIMHRS. Can you comment on whether you think the fielding of MCTFS to the Navy would be cost effective in light of the future expected fielding of DIMHRS?

Dr. CHU. The Marines have an integrated personnel and pay system that works very well for them. MCTFS uses Marine Corps data and Marine Corps business rules and therefore needs a lot of enhancements and modifications to be used by the Navy. As I understand it, the Navy plans to use MCTFS as an interim system and then migrate to DIMHRS.

If MCTFS were to be the final Navy solution, there are considerations in addition to the costs. One of the most critical deficiencies of our current processes for managing military personnel and pay is that we cannot provide cross-Service support. This is a highly important core requirement for the integrated personnel/pay capability—both for the servicemembers and for the joint commanders and warfighters. When our servicemembers who are assigned to units managed by other Services must go to their parent Service locations to receive basic personnel and pay support, it is primarily an inconvenience when they are at a U.S. location, but it can put them at serious risk in a hostile environment. Similarly, at Joint Commands, the Services must provide duplicative capabilities so that each Service can provide personnel and pay support to its assigned personnel. This is inefficient at best. Further, the use of different systems makes it very difficult to get a useful view of the entire set of resources in a theater of operations.

While the Navy could modify MCTFS for an integrated personnel and pay capability for Navy and Marine Corps personnel, it would not provide cross-Service support without significant and extremely complex additional modifications.

If the Navy were to use MCTFS for its integrated personnel and pay system while the Army and the Air Force used DIMHRS, it is clear that cross-Service support would not be available except within the Department of the Navy and between the Departments of the Army and Air Force. That is not in the best interests of either the Department or our servicemembers.

16. Senator MCCASKILL. Secretary Chu, do you expect DIMHRS to provide equally successful pay and personnel processing as MCTFS has provided to the Marine Corps? If not, have you considered employing MCTFS in place of DIMHRS?

Dr. CHU. DIMHRS has been designed to provide integrated personnel and pay capability that is as fully successful or more successful than MCTFS. The Department did consider using MCTFS before embarking on the DIMHRS program. There were several reasons why the Department decided not to use MCTFS.

MCTFS uses Marine Corps data and Marine Corps business rules and processes. It is very easy to note that a system works for one Service, but very difficult to implement that same system in another Service without extensive modification either of the system or of the processes, data, and business rules of the receiving Service. As an example, the Defense Joint Military Pay System (DJMS) was an Air Force pay system, using Air Force business rules and Air Force data. In 1991, the decision was made to use DJMS for the Army and Navy. It was first implemented in the Army (in 1992) and Army pay essentially broke down. It took several years to figure out all of the problems with the imbedded business rules and data differences between Army and Air Force. (Similar data had different meanings; the Army did not collect some data; and many imbedded business rules were different, creating problems in implementation.) One simple example: When Air Force personnel were up for re-enlistment, they had to make their re-enlistment decision 120 days before the end of their current enlistment. Army personnel were able to make that decision at the last minute—when Army personnel made their decision after the Air Force cut-off date, the system prepared to cut them off and then, at the end of their current enlistment, they were kicked out of the system. They could not be simply reentered into the system because of the imbedded Air Force business rules. There were several hundred issues like this that needed to be resolved. Since we would have to go through this kind of process anyway, it seemed more sensible to adopt joint business rule standards (and recognize when Service-specific rules were required) than to be forced into decisions based on system performance rather than the right way to do business. The Army and Navy still use extensive manual workarounds to use DJMS.

MCTFS does not support Guard personnel or many specific specialties of the other Services (for instance the medical specialties). This means that there would have to be new code written for the special business rules associated with the Guard and associated with the specialties not in MCTFS.

While MCTFS has some enhanced front-end access developed in recent years, the underlying core software is still primarily the common business oriented language and assembler language. The Department analyses led them to decide to use com-

mercial off-the-shelf (COTS) and found a COTS product that could be adopted with little modification to support military business rules.

At this point, the common business rules and data have already been defined and coded in DIMHRS (based on joint analysis and workshops with all 10 DOD components). It would not make sense to stop and start over.

"Equal capability" does not mean identical processing rules. For instance, MCTFS requires dual input of data for pay impacting information. To mirror this capability in DIMHRS would require extensive modification of the COTS product. In fact, DIMHRS uses the COTS capability that is considered a best practice—to review and correct data by exception rather than require dual entry of all data. A comparison of capabilities should be focused on functional outcomes, not on how the systems process data.

QUESTIONS SUBMITTED BY SENATOR MARK PRYOR

MENTAL HEALTH SERVICES

17. Senator PRYOR. Dr. Jones, when our soldiers who are deployed in combat fall victim to improvised explosive devices (IEDs), many times it is the concussion impact, not shrapnel, that causes the most significant injury. These head traumas consequently require a lengthy and specialized rehabilitation to return our wounded servicemembers to a normal cognitive thought process and speech capability. What steps do you plan to take to resolve the significant lack of psychologists and psychiatrists to treat these servicemembers?

Dr. JONES. Professional mental health provider staffing currently ranges by specialty from 75 to 85 percent of authorized billets in the Service branches. The Services have, at their disposal, the use of Critical Skills Retention Bonuses and educational loan payback incentives to adjust incentives to retain needed personnel. Psychiatrist retention is also incentivized with physician bonuses. Mental health providers play a role in the management of those with Traumatic Brain Injuries, as well as other specialized therapists who provide intensive rehabilitation treatments such as speech and other occupational therapies. In addition, primary care providers provide mental health service and support in our system, often administering psychotropic medication, including antidepressants, which are helpful for those with mood and anxiety disorders associated with their injuries.

SERVICE COMMITMENT

18. Senator PRYOR. General Brady, a few years ago the Air Force changed its Active Duty service commitment for pilots from 8 years to 10 years. What factors contributed to this decision?

General BRADY. The Air Force has used both analysis and our experience with pilot retention over the years to determine the best mix of commitment and incentives to ensure we have a force ready to go to war. Over time, pilot retention varies with "market conditions", principally the hiring practice of civilian airlines. We have concluded that for the current market conditions, a 10-year commitment followed by a 5-year bonus/commitment combination is best for ensuring we retain that "go to war" force.

19. Senator PRYOR. General Brady, what is the current pilot bonus?

General BRADY. The current pilot bonus is $25,000 per year in return for a 5-year commitment.

20. Senator PRYOR. General Brady, do navigators and other flight crew members have a similar bonus?

General BRADY. Navigators do not receive a bonus. Navigators were offered a bonus from fiscal year 2003 through fiscal year 2005; beginning in fiscal year 2006, navigators were no longer offered a bonus due to healthy career field manning. Air battle managers receive a bonus of $15,000 per year in return for a 5-year commitment.

EARLY SEPARATION

21. Senator PRYOR. General Rochelle, what are some of the reasons surveyed for those personnel who elect to separate before retirement (both officer and enlisted)?

General ROCHELLE. The fall 2006 Sample Survey of Military Personnel has identified (from a list of 58 aspects of Army life) the following as the most important rea-

sons for officers and enlisted soldiers for leaving or thinking about leaving the Active component Army before retirement:

Concerning the population of commissioned officers and warrant officers, the amount of time separated from family (30.4 percent) was the overall leading indicator of dissatisfaction with military service. The next are of concern was amount of enjoyment from job (7.8 percent). The third leading indicator of dissatisfaction was amount of pay (basic) (6.3 percent). Finally the overall quality of Army life (6.0 percent) was the fourth highest reason of dissatisfaction.

For the enlisted soldier population, the amount of time separated from family (20.9 percent) was the overall leading indicator of dissatisfaction with military service. The next leading indicator of dissatisfaction was amount of pay (basic) (14.4 percent). Finally, the overall quality of Army life (11.3 percent) was the third highest area of concern for this population.

QUESTIONS SUBMITTED BY SENATOR LINDSEY O. GRAHAM

MENTAL HEALTH SELF-ASSESSMENT PROGRAM

22. Senator GRAHAM. Secretary Chu, last year in our oversight hearing, I sought assurance from you and Dr. Winkenwerder that our government was doing everything possible to ensure that our wounded, having received the best battlefield lifesaving care in the world, would not fall through the cracks. Where did we fail and why?

Dr. CHU. I believe our wounded servicemembers are receiving the best battlefield lifesaving care in the world, but issues have been raised about the challenges that these servicemembers and their families face here at home. It is for this reason that we initiated the Military Severely Injured Center in February 2005. Despite our best efforts to publicize its services, it is clear we did not reach all we should.

We are pleased that the Independent Review Group and the Presidential Task Force have been thorough and quick in their assessments of the challenges our servicemembers face, and have made recommendations to improve our processes. We look forward to additional input from the President's Commission and other ongoing reviews. We are working to coordinate our medical, personnel, and disability evaluation systems to work in unison to serve the needs of our wounded and ill servicemembers.

CARE FOR THE WOUNDED

23. Senator GRAHAM. Dr. Jones, we have heard from wounded soldiers and their families who believe that they were prematurely moved to the temporary or permanent retired lists as a result of their injuries. Are you aware of these concerns?

Dr. JONES. I am aware of servicemembers and their families who believe they were moved too quickly, I am aware of servicemembers, and their families who believe it took too long. The important factor in this process is communication between the care providers and the servicemember and his or her family—communication based on the condition of that servicemember and the time the healing will take. When there is clear understanding by the servicemember and the family, there should not be concern that the action is too quick or too slow.

24. Senator GRAHAM. Dr. Jones, being placed on the temporary or permanent retired lists can affect health care benefits. In the case of SGT Eric Edmondson, a soldier from the 172nd Stryker Brigade in Alaska, DOD extended him on Active Duty, so he could obtain care at a civilian rehabilitation institute that was not available in DOD or the VA, and would not have been available to him as a retiree. Why would we discriminate in terms of health care between a wounded member extended on Active Duty and a member on the temporary retired list, who are both fighting to recover from wounds and injuries in war?

Dr. JONES. Rehabilitation therapy covered under the TRICARE Basic Program is available to both Active Duty servicemembers and retirees, and includes physician-prescribed therapy to improve, restore, or maintain function, or to minimize or prevent deterioration of patient function. Rehabilitation therapy under the TRICARE Basic Program must be medically necessary, appropriate, and consistent with accepted norms for medical practice in the United States. The care must be rendered by an authorized provider, necessary to the establishment of a safe and effective maintenance program, and must not be custodial or otherwise excluded from coverage.

Covered rehabilitation services for TBI patients may include physical, speech, occupational, and behavioral services. Cognitive rehabilitation strategies may be integrated into these components of a rehabilitation program, and may be covered under the TRICARE Basic Program when cognitive rehabilitation is not billed as a distinct and separate service. Under the TRICARE Basic Program, cognitive rehabilitation defined as "services that are prescribed specifically and uniquely to teach compensatory methods to accomplish tasks which rely upon cognitive processes" are considered unproven and are not covered when separately billed as distinct and defined services. To provide some comparison, coverage of cognitive rehabilitation by major health insurers is mixed. For example, Cigna, Aetna, and UniCare cover cognitive rehabilitation for TBI when it is determined to be medically necessary. Cigna excludes coverage of cognitive rehabilitation for mild TBI. Regence and Blue Cross/Blue Shield consider cognitive rehabilitation to be investigational and do not provide coverage for it. There is no Medicare National Coverage Determination for cognitive rehabilitation for TBI.

In determining whether a medical treatment has moved from unproven to proven, TRICARE reviews reliable evidence, as defined in 32 Code of Federal Regulations Part 199. Research study of cognitive rehabilitation in neurological conditions including TBI is limited by differences between patients, and by variation in the type, frequency, duration, and focus of cognitive rehabilitation interventions. The TRICARE determination that cognitive rehabilitation for TBI is unproven is supported by a 2002 Technical Assessment performed by Blue Cross/Blue Shield (updated in 2006), and by a 2004 Technical Assessment by Hayes Incorporated also updated in 2006. Medical evidence is dynamic and evolving. We know that some care that is considered unproven today will in the future achieve the required evidence threshold and become covered under the TRICARE Basic Program. Care that is likely to become proven is periodically reevaluated to ensure that TRICARE coverage is current and consistent with the latest evidence. The DOD has commissioned a formal technical assessment of the current scientific evidence supporting cognitive rehabilitation intervention for TBI. This evaluation will be completed in August 2007. The Department will reevaluate its coverage policy for cognitive rehabilitation under the TRICARE Basic Program at that time.

Post-acute, community reentry programs, work integration training, and vocational rehabilitation are also excluded from coverage under the TRICARE Basic benefit.

Beneficiaries, including Active Duty servicemembers, may receive rehabilitation services in direct or purchased care facilities. Active Duty servicemembers may also receive TBI rehabilitation in specialized VA treatment centers. In most cases, patients will be referred to a rehabilitation facility that has agreed to participate in the TRICARE network. Both Active Duty and non-Active Duty beneficiaries may be referred for care in a non-network facility when there are no available network facilities able to meet the identified medical needs of the patient in the area where the patient lives or needs to receive care.

With the exception of benefit limitations based on Federal statute, any restrictions or limitation of the TRICARE Basic Program may be waived for Active Duty servicemembers under the Supplemental Health Care Program (SHCP) in order to assure adequate availability of health care services to Active Duty servicemembers or to keep or make the Active Duty servicemembers fit to remain on Active Duty. The Department recognizes that as a determination is made that an Active Duty patient will not be able to return to Active Duty service, and transition is made from Active Duty to retired status, potential coverage differences between the SCHP and the TRICARE Basic Benefit may result in discontinuity in care for combat-wounded servicemembers. The Department is exploring the feasibility of testing strategies for mitigating potential disruption in care using demonstration authority.

In our experience, the VA health benefit is intentionally structured to provide robust care to disabled veterans with long-term rehabilitation, and other care needs. Specific questions about VA coverage of civilian TBI rehabilitation may best be addressed by the VA.

DOD HEALTH CARE

25. Senator GRAHAM. Secretary Chu and Dr. Jones, your testimony confirms that the budget request assumed savings of nearly $2 billion before either the GAO or the DOD health care task force weighs in with their findings and recommendations. It is difficult to accept the notion that you are sincere about a debate on the future of health care benefits when you use the budget ax before that debate has begun. What new ideas, if any, have you come up with for increasing efficiencies in the

DOD health care system before we tax our retirees with higher fees and copayments?

Dr. CHU and Dr. JONES. No, the savings are for the next fiscal year (2008). If we can reach agreement with Congress on how to proceed, significant savings are possible.

At the same time, the Military Health System is continuously pursuing opportunities to look for efficiencies to reduce the cost of health care services. We have worked diligently on improving the TRICARE contracts to make them more cost-effective and will continue to do so; we have looked at our pharmacy operations and found ways to improve our formulary management; and, we have undertaken, along with the Service medical departments, a comprehensive look at the military and civilian mix of personnel to find those opportunities to address our labor costs. Of course, none of this will be sufficient to stem the increasing rate of health care costs that the Department faces, and we, like others in our government, need to face the challenge of balancing the government and beneficiary cost structure.

EMPLOYER INCENTIVE FOR TRICARE

26. Senator GRAHAM. Dr. Jones, last year, at the Department's request, Congress enacted legislation that prohibits employers from providing financial incentives to military retirees to use TRICARE instead of employer-provided health care. One of the unanswered questions was how DOD would treat "cafeteria plans" under this new authority. I want to be clear that our expectation is that DOD should implement this authority in a manner that is consistent with Medicare, on which the legislation was modeled. Have you consulted with the Centers for Medicare and Medicaid Services as we directed in implementation of this authority, and will you assure this committee that DOD will implement it in the same manner as Medicare?

Dr. JONES. As enacted, Section 707 extends to TRICARE the same prohibition on offering financial or other incentives not to enroll in a Group Healthcare Plan (GHP) that currently apply to Medicare under section 1862(b)(3)(C) of the Social Security Act (42 United States Code 1395y(b)(5)). The Department has reviewed the Medicare prohibition on GHP incentives, and intends to follow closely those rules in applying the comparable prohibition to TRICARE. In general, CMS does not treat cash payments to an employee as improper incentive so long as such cash payment is based on the employee's election as part of a cafeteria plan offered by the employer and that plan comports with section 125 of the Internal Revenue Code (IRC). The Department intends to follow closely the policies that CMS has instituted to address this issue.

DOD will soon issue an interim final rule (IFR) to codify all rules and governing authorities pertinent to effectuating the requirements of Section 707 and will include the treatment of cafeteria plans and other employer-provided incentives under the Department's implementation of the provision. The IFR will closely track CMS regulations. Employers will be prohibited from offering TRICARE-eligible employees financial or other benefits not to enroll or to disenroll from the employer's group health plan that is or would be primary to TRICARE. Cafeteria plans that comport with section 125 of the IRC will be permissible.

PHARMACY BENEFITS

27. Senator GRAHAM. Dr. Jones, last year I thought we had arrived at a consensus on the need to make better use of mail-order pharmacy in DOD. Have you seen any increase in the rate of use of mail order?

Dr. JONES. In February 2006, TRICARE Management Activity, along with the assistance of our various contracted partners, focused multiple educational efforts to encourage the use of our mail-order pharmacy point of service by our DOD beneficiaries. Over the last year, we have seen a steady increase in the rate of use of mail order. When comparing March 2006 to March 2007, we saw an increase from 647,921 prescriptions to 765,485 prescriptions (15.4 percent). To put this in perspective, for the same time period, our prescription workload at the MTFs decreased by 3.6 percent and our retail point of service increased by 1.2 percent. In March 2006, the mail-order venue comprised 6.2 percent of all prescriptions filled, whereas in March 2007, this number had increased to 7.3 percent. When you normalize the prescriptions to an equivalent number of days (in this case 30 days), mail order increased 16.4 percent, MTFs decreased 1.8 percent, and retail increased 1.7 percent for this same period.

Another way we measure utilization of the pharmacy benefit across our three points of service is the number of beneficiaries that use a point of service from

month to month. Many of our beneficiaries use multiple points of service in a month due to various reasons. When comparing March 2006 against March 2007, we see signs of encouragement. The number of beneficiaries that utilized mail order increased by 14.8 percent, whereas the numbers of beneficiaries that utilized the MTFs decreased by 4.9 percent and the retail utilizers increased by 7 percent. Overall, 8.2 percent of our beneficiaries that filled a prescription in March 2007 utilized the mail-order point of service versus 7.2 percent in March 2006. In addition, since January 2007, the number of beneficiaries that have enrolled into the mail-order system has averaged over 18,000 per month. We will continue to encourage greater use of the home delivery point of service through educational campaigns that promote its substantial benefits.

28. Senator GRAHAM. Dr. Jones, your testimony says that you need more help from Congress in making changes in the pharmacy benefit. What help are you seeking?

Dr. JONES. In order to more effectively manage the DOD Pharmacy Benefit, assistance in the form of legislative change is needed. These changes include:

- End the fiscal year 2007 freeze on adjustments to pharmacy co-payments.
- Eliminate the non-formulary cost sharing cap.
    - Current statutes cap the maximum beneficiary cost share for non-formulary drugs. This limits DOD's ability to establish a wider co-payment differential between retail and mail-order points of service. It also limits DOD's ability to incentivize the use of less costly generics and preferred brand name formulary products.
- Index pharmacy cost shares to health care inflation.
- Require exclusive use of TRICARE mail-order or MTFs for filling selected generic and brand name maintenance medications.
    - The current pharmacy benefit statute requires uniform formulary drugs be generally available at all three points of service.
    - In fiscal year 2006, if the top 10 maintenance medications filled at the retail point of service had been filled through the TRICARE mail-order program or at MTFs, the Department's potential cost avoidance was estimated at over $185 million.

DOD–VA TRANSITION

29. Senator GRAHAM. Secretary Chu and Dr. Jones, as a member of the Senate Committee on Veterans Affairs, we hear a lot of talk about seamless transition for members from DOD to VA. But based on information we hear from military families, this transition misses the mark far more than it hits the mark. Why don't DOD and VA have a universal single medical exam upon separation from the military, and why aren't those exam results available electronically for every separating member?

Dr. CHU and Dr. JONES. The DOD and the VA have been working diligently to define the parameters that each Department requires a separation physical examination for DOD and a compensation and pension physical examination for VA. We are developing an integrated physical examination process that would include, for many members, a single examination as the servicemember separates from Active Duty and registers with the VA for care and, perhaps, disability compensation.

The complexity of transition of medical care from DOD to VA is directly related to the medical status of the individual servicemember. Those with more complex and severe medical problems require more than just a separation physical examination. Their "medical exam" includes intense specialty evaluations particular to their medical conditions. There is, of course, no such thing as a "universal single medical examination" suitable for all patients. DOD and VA are acutely focused on the coordinated transition of severely wounded and injured servicemembers from inpatient care in DOD to inpatient care in VA and often back to DOD again. The transition of paper and EHRs is a critical part of that, as well as doctor-to-doctor information transfer. VA has social workers and disability advisors working in 10 MTFs to help expedite the inpatient transfer process to VA Polytrauma Centers. Similarly, DOD has Active Duty personnel assigned to help the servicemembers and their family members with the transition as they arrive at the VA medical centers. The VA social workers in DOD MTFs have assisted over 7,600 servicemembers with making outpatient appointments at VA's medical facilities as they transition their care from DOD to VA.

30. Senator GRAHAM. Secretary Chu and Dr. Jones, why is DOD still unable or unwilling in many cases to share health records with the VA electronically?

Dr. CHU and Dr. JONES. In fact, the DOD and VA share a significant amount of health information today. Our electronic sharing began in 2002, and the Departments are constantly seeking to expand the scope of our capabilities. By the end of 2007, DOD will be sharing electronically with VA nearly every health record data element identified in our VA/DOD JSP for health information transfer. By 2008, we will be sharing the remaining health record data elements identified in the VA/DOD JSP.

Currently shared electronic medical record data:

- Inpatient and outpatient laboratory and radiology results, allergy data, outpatient pharmacy data, and demographic data are viewable by DOD and VA providers on shared patients through BHIE from 15 DOD medical centers, 18 hospitals, and over 190 clinics and all VA facilities.
- Digital radiology images are being electronically transmitted from WRAMC and NNMC Bethesda to the Tampa and Richmond VA Polytrauma Centers for inpatients being transferred there for care.
- Electronic transmission of scanned medical records on severely injured patients transferred as inpatients from WRAMC to the Tampa and Richmond VA Polytrauma Centers.
- Pre- and PDHAs and PDHRAs for separated servicemembers and demobilized Reserve and National Guard members who have deployed.
- When a servicemember ends their term in service, DOD transmits to VA laboratory results, radiology results, outpatient pharmacy data, allergy information, consult reports, admission, disposition and transfer information, elements of the standard ambulatory data record, and demographic data.
- Discharge Summaries from 5 of the 13 DOD medical centers and hospitals using the CIS to document inpatient care are available to VA on shared patients.

Enhancement plans for 2007:

- Expanding the digital radiology image transfer capability to include images from WRAMC, NNMC, and BAMC to all four VA Polytrauma Centers.
- Expanding the electronic transmission of scanned medical records on severely injured patients from WRAMC, NNMC, and BAMC to all four VA Polytrauma Centers.
- Making available discharge summaries, operative reports, inpatient consults, and histories and physicals for viewing by all DOD and VA providers from inpatient data at all 13 DOD medical centers and hospitals using CIS.
- Expanding BHIE to include all DOD facilities.
- Making available encounters/clinical notes, procedures, and problem lists to DOD and VA providers through BHIE.
- Making available theater outpatient encounters, inpatient and outpatient laboratory and radiology results, pharmacy data, inpatient encounters to include clinical notes, discharge summaries, and operative reports to all DOD and VA providers via BHIE.
- Beginning collaboration efforts on a DOD and VA joint solution for documentation of inpatient care.

Enhancement plans for 2008:

- Making available vital sign data, family history, social history, other history, and questionnaires/forms to DOD and VA providers through BHIE.
- At Landstuhl Regional Medical Center, Germany, making available discharge summaries, operative reports, inpatient consults and histories, and physicals to VA on shared patients.

REDUCTION IN AGE OF RETIREMENT FOR RESERVES

31. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, what is your view of the potential impact on recruitment, retention, and manpower management of the Reserve and Guard should Congress legislate lowering the age of retirement?

General ROCHELLE. The Army is continuing to analyze projected impact of lowering the retirement age for Reserve component soldiers but our initial review of the numbers shows that there are over 4,000 Army Reserve and over 7,000 ARNG soldiers spread across all specialties who would become immediately eligible for re-

tirement once such a change was approved. If all of them chose to retire from service there would be a significant impact on our Reserve component mission.

From a manpower management standpoint, reducing the retirement eligibility age will decrease the predictability of soldier inventory size and increase the potential turbulence when distributing and employing the Reserve component. Although the increased amount of time between retirement eligibility and pension payout may encourage service beyond the eligibility age, there is no data on which to base projected inventory.

From the perspective of recruiting, it is possible that the lower retirement eligibility age will be attractive to Reserve component soldiers with civilian careers that continue beyond military service. At this time it is speculative until the Army surveys soldier's attitudes in the present Reserve Force or the population of eligible candidates for Service.

Admiral HARVEY. Reducing the age at which a reservist can collect retirement pay would inhibit the Navy Reserve's ability to meet force management objectives.

A recent study conducted by RAND found that reducing the age for the receipt of retired pay only marginally affects retention, and overall reduces the number of years a reservist will serve. This proposal would substantially increase costs—funds that could be put to better use to improve readiness and purchase much needed equipment.

Reserve members who volunteer for extended periods of Active Duty already receive a substantial increase in their military retired pay because of their additional service. Moreover, the Uniformed Services Employment and Reemployment Rights Act requires employers to credit, for the purpose of qualifying for an annuity under a retirement plan offered by the employer, periods of military service as serving with the employer. This allows reservists to use the same period of time to qualify for a retirement under two separate retirement systems.

General COLEMAN. Recruiting does not use retirement as a selling point. We sell the intangibles of being a marine: pride of belonging, tough, smart, elite, warrior. We feel this would have little to no effect on recruiting.

General BRADY. Changes to retirement eligibility for Reserve and Guard must be considered in the context of the Total Force, to include the effect on recruiting and retention and the larger issue of what it does to the growing cost of manpower. Some analysis has indicated that lowering the age of retirement would increase overall costs, and there could be adverse impacts on retention of highly-experienced airmen. This issue requires further study.

DOD POLICY RESOLUTION AND IMPLEMENTATION

32. Senator GRAHAM. Secretary Chu, with respect to the Joint Executive Committee (JEC) and injured servicemembers, would you please provide a list of policy issues that have been addressed by the JEC and the resolutions that have been implemented based on their work?

Dr. CHU. The JEC has established a Coordinated Transition Working Group to examine and make recommendations for improvements to the transition process. For example:

- The Joint Seamless Transition Program is a collaborative effort between the Services and the VA to facilitate and coordinate a more timely receipt of benefits for severely injured servicemembers while they are still on Active Duty. There are 12 VA social workers and counselors assigned at 10 MTFs, including WRAMC and the NNMC in Bethesda.
- The Army Liaison/VA PolyTrauma Rehabilitation Center Collaboration is a "Boots on the Ground" program stood up in March 2005 to serve severely injured servicemembers who need a long recovery and rehabilitation period. These individuals are transferred directly from an MTF to one of the four VA PolyTrauma Centers in Richmond, Tampa, Minneapolis, or Palo Alto.
- The Transition Assistance Program is an integral part of the pre-separation counseling program, in which VA counselors advise separating servicemembers on VA health care and compensation.
- The Cooperative Separation Physical Examination and Benefits Delivery at Discharge (BDD) program addresses the disadvantages of the previous procedures, in which servicemembers were required to undergo two physical examinations within months of each other. Servicemembers can begin the claims process with VA up to 180 days prior to separation through VA's BDD program at any of the 140 sites where local agreements have been established.

- The jointly staffed Military Severely Injured Center, established in February 2005, operates a hotline center which functions 24 hours a day, 7 days a week. Servicemembers or family members can call a toll-free number and speak to a care manager, who becomes their primary point of contact over time.
- The DOD has also successfully added the capacity to send electronic pre- and PDHA information to the monthly patient information being sent to the VA. The PDHRA is also being electronically transmitted to VA.
- DOD transmits a monthly list to the VA Office of Seamless Transition containing the demographic and contact information, and a brief explanation of medical condition of servicemembers who have been referred to a Physical Evaluation Board. As of the end of fiscal year 2006, DOD has transmitted information on over 13,000 individuals.
- The Center for the Intrepid is a jointly staffed state-of-the-art outpatient facility to rehabilitate wounded OEF/OIF servicemembers and veterans who sustain severe traumatic or burn injuries and subsequent functional loss, with resultant amputations or limb salvage procedures.
- DOD electronically transmits radiology images for servicemembers being transferred from WRAMC and NNMC to all four VA Polytrauma Centers. WRAMC currently transmits to the Tampa, Richmond, and Palo Alto VA Polytrauma Centers, with plans in place to add Minneapolis. NNMC currently transmits to the Tampa and Minneapolis VA Polytrauma Centers; testing will soon be in place with Richmond and Palo Alto. This capability will also be added to BAMC within the next 2 months.

Scanned medical records are being electronically transmitted from WRAMC to three of the four VA Polytrauma Centers, with plans to soon add Minneapolis. Next steps are to add this capability to NNMC and BAMC.

33. Senator GRAHAM. Secretary Chu, is there an entity within the DOD that is empowered to resolve service-wide policy problems that arise on a day-to-day basis with regard to injured servicemembers? If so, please explain in what way and how often they communicate with the VA office of seamless transition.

Dr. CHU. Each military Service has specific entities (Army Wounded Warrior Program, Navy Safe Harbor Program, Marine Injured Marines for Life Program, and Air Force Palace Hart Program) that respond to injured servicemembers and their families on problems or day-to-day concerns that are raised.

In addition, the DOD Military Severely Injured Center serves as a safety net to these Service programs, providing services for any military member. All of these programs communicate regularly and frequently with the VA Office of Seamless Transition. There are DOD personnel assigned to the VA Office of Seamless Transition to expedite this communication.

NATIONAL GUARD AND RESERVE FAMILY SUPPORT

34. Senator GRAHAM. Secretary Chu, in last year's conference report, we required DOD to establish new regional centers to increase family support for members of the Guard and Reserve. Where do you stand on implementation of that authority?

Dr. CHU. DOD appreciates the support of Congress on this initiative and has aggressively begun implementation of the Joint National Guard and Reserve Family Assistance Program (Yellow Ribbon Reintegration Program). Several governors are on board and support this new program. States most interested are Arkansas, Nebraska, Minnesota, Oregon, Ohio, Indiana, Hawaii, New Hampshire, Virginia, West Virginia, and Colorado, as well as the National Capital Region. We have conducted focus groups with high stake individuals representing various State National Guard programs, Reserve programs, and Active Duty family programs. We have placed a full-time counselor in Minnesota to begin the preliminary needs assessment and to begin strengthening and integrating the local and State support systems into a comprehensive support community that will guide our practice for other locations. We plan to provide mobile support services and delivery systems to reach families throughout the area. Further, we plan to connect the right resources to the right people at the right time through a "high-tech, high touch" Web-enabled community that will connect military families with each other and with supportive resources 24/7 regardless of where they live.

35. Senator GRAHAM. Secretary Chu, are families of the Guard and Reserve better off today than they were 5 years ago?

Dr. CHU. Yes, Guard and Reserve families are much better off and more strongly supported than they were 5 years ago.

The families of our National Guard and Reserve members who are being called upon to support the war on terrorism, homeland defense, and other military operations have access to many more Federal, State, and local resources than were available 5 years ago.

The operational tempo for today's National Guard/Reserve is higher than at any time since the Korean War. This not only affects the member, but also his or her family.

The mission of National Guard and Reserve family programs is to prepare, support, and sustain families when the military member is activated and/or deployed. Support is facilitated through education, outreach services, and partnerships by leveraging resources, training, and constantly capitalizing on new capabilities, concepts, and technological advances.

The National Guard has a strong Joint service family support network, organized in each State and territory by the National Guard State Family Program Director, and reinforced by a Wing Family Program Coordinator at each Air National Guard Wing. The Joint Forces Headquarters within each State, territory, and the District of Columbia are responsible for coordinating family assistance for all military dependents, regardless of service and component, within the State and in the geographically dispersed areas beyond the support capability of military facilities.

Vital to a unit commander's family support program are volunteers and the Family Readiness Network-unit level Family Readiness Group volunteers provide the vitality of the program.

The Family Assistance Centers (FACs) are regionally based and are the primary entry point for all services and assistance that any military family member may need during the deployment of the servicemember. Services are provided regardless of the sponsor's service or component. Services include the preparation (pre-deployment), sustainment (actual deployment), and reunion phases (reintegration). The primary services provided by the FACs are information, referral, outreach, and follow-up to ensure a satisfactory result.

Military Family Life Consultants (MFLCs) are another resource available to National Guard and Reserve families. The goal of the MFLC is to prevent family distress by providing education and information on family dynamics, parent education, available support services, and the effects of stress and positive coping mechanisms.

Military OneSource (www.militaryonesource.com) is a key resource available to National Guard/Reserve members and their families. Military OneSource supplements existing family programs with a 24-hour, 7-day a week, toll-free information, and confidential referral telephone line and internet/web-based service. It is available at no cost to Guard and Reserve members and their families regardless of their activation status. Military OneSource provides information ranging from everyday practical advice to deployments/reintegration issues and will provide referrals to professional civilian counselors for assistance.

Regional Joint Family Support Model. This model is being designed as required by the National Defense Authorization Act for Fiscal Year 2007. Critical components of the model involve building coalitions and connecting Federal, State, and local resources and nonprofit organizations to support Guard and Reserve families. Best practices learned from 22 Inter-Service Family Assistance Committees and the Joint Service Family Support Network will guide the planning process. Minnesota will serve as a model.

TRICARE FOR RESERVES

36. Senator GRAHAM. Secretary Hall, I have heard from Reserve and Guard senior officers that word is slow in getting out about new TRICARE benefits that are supposed to be available by October 1, 2007. Some even speculate that the Department may be deliberately holding back as a way to save money. What are the extent of your activities to make sure that every eligible member of the Guard and Reserves receives timely information on new TRICARE benefits?

Secretary HALL. The Department closely monitored the National Defense Authorization bill as it evolved throughout the legislative cycle last year, and planning began in earnest before the President signed it into law on October 17, 2006, with the revised program taking effect on October 1, 2007. We have provided information to the Reserve component personnel community so they can begin informing their members.

Additionally, the Department is drafting implementing rules and regulations, revising departmental policy, modifying the TRICARE regional contracts, reprogram-

ming information systems, developing informational materials, updating website content, training the Reserve personnel community, and training TRICARE customer service personnel.

Once the infrastructure is fully operational so Reserve and Guard members can complete TRS request forms online through the Guard/Reserve Web portal, TRICARE regional contractors will be ready to receive and process them as well as have customer service staff fully trained to assist members. We anticipate reaching this milestone this summer. At that time, the Department will formally announce the revised program and formally release information to Selected Reserve members so they may apply for the benefit if they are interested. Our concern is that announcing the program much earlier would only frustrate members who may be interested in purchasing their healthcare through the TRS program when the application process has not been fully operationalized. There is no attempt to conceal this new benefit; and in fact many members are already aware of the forthcoming changes to the program.

DOD SCHOOLS

37. Senator GRAHAM. Secretary Chu, the committee has received testimony that describes hazardous school environments in DOD schools, both in the continental United States and overseas, due to budget cuts. Have you directed a survey of DOD school facilities to identify conditions in DOD schools?

Dr. CHU. The DOD Education Activity (DODEA) conducts two different types of surveys to determine the condition of school facilities. In addition to these surveys, the local installation conducts two inspections per year focusing on life safety, physical security, sanitation, and bioenvironmental issues identifying all deficiencies and their relative priority for repair.

1. Triennial Facility Survey: This thorough survey reviews over 30 building and exterior components (i.e., roofs, plumbing, electrical, sidewalks, et cetera.) based upon an up-to-date industry standard process. Included is an inspection of the condition of existing asbestos in the schools. From this assessment, a condition code is calculated and converted to the Department's Quality Rating format for reporting, and funding prioritization purposes.

2. Annual Project Development Process: Every year, the school administrator, the Area DODEA Facilities Engineer, and a representative from the base community engineering office, walk through the schools to develop a list of facilities requirements. These requirements are prioritized and funded based upon their urgency.

DODEA balances facilities requirements along with core educational requirements when developing funding levels. There remains a facilities requirements listing, but all safety and security projects are given priority.

38. Senator GRAHAM. Secretary Chu, we have been informed that Fort Campbell budget cuts have resulted in reduction in teachers, sharing text books, and cancellation of after school activities, in spite of increasing enrollments. Are you aware of these concerns, and what steps have you taken to improve funding for DOD schools?

Dr. CHU. The Department recognizes the DODEA's fiscal year 2007 shortfall, and we are working with DODEA to correct it. A reprogramming request for $35 million is forthcoming which will provide the funding needed to keep textbook purchases, teacher professional development, and other school activities on schedule.

When developing the fiscal year 2007 President's budget 2 years ago, the Department expected savings from the closure of overseas schools, but force re-stationing did not keep pace with the plan. The reprogramming request referenced above will better align DODEA's funding level with its actual requirements.

The instructional program delivered by DODEA educators remains at the highest quality level even under a constrained budget environment. There has been no reduction in the number of teachers as a result of budget concerns.

DODEA's fiscal year 2008 President's budget request contains $2.5 million in additional funding to accommodate the increased enrollment at Fort Campbell schools. This funding will go towards temporary classrooms and other educational support costs.

NATIONAL SECURITY PERSONNEL SYSTEM

39. Senator GRAHAM. Secretary Chu, the committee is concerned that the Services are being forced to absorb training and implementation costs associated with implementation of National Security Personnel System (NSPS), and that the Department

has not requested new funds to ensure effective implementation. What visibility do you have into the actual implementation costs of NSPS within the components?

Dr. CHU. The Department is funding the NSPS development, implementation, and life cycle maintenance costs within the DOD's top line. DOD policy requires the components to track NSPS implementation costs. Reporting occurs in the following categories:

- Design and Implementation
- Training Development and Delivery
- Design of Modifications to the DOD automated Human Resources System
- Program Evaluation
- Program Office Operations

Components track costs within their official accounting systems and report costs to the Program Executive Office NSPS on a quarterly basis. The following costs have been reported:

[In millions of dollars]

	Fiscal Year 2005	Fiscal Year 2006
Design and Implementation	7.098	7.713
Training Development and Delivery	9.767	21.820
Modifications to DOD HR System	4.345	8.167
Program Evaluation	.303	1.131
Program Office Operations	10.993	21.183
Total Implementation Costs	32.506	60.014

Collection of NSPS Implementation costs for fiscal year 2007 is ongoing.

40. Senator GRAHAM. Secretary Chu, what kinds of training and professional development needed for a high quality workforce are being sacrificed as components absorb the cost of implementation of NSPS?

Dr. CHU. A portion of component training dollars has traditionally been set aside to address new program requirements. NSPS is a new program and workforce training is critical if the DOD employees are going to successfully adapt to the new system. As such, DOD managers and supervisors are ensuring NSPS training is given equal focus and attention with other mission related training priorities. We are committed to funding delivery of training without sacrificing other required programs.

NSPS implementation supports and encourages a high performing workforce and organizations are providing even more opportunities for employees at all levels to learn new skills and behaviors. Overall, the intensified focus on the technical as well as the behavioral training needed to fully succeed in the workplace is a win-win for employees and managers.

41. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, employee buy-in is the most important factor in the success of NSPS. What are you doing to track the outcome of the initial implementation of NSPS so that we can honestly tell employees whether they are better off under NSPS?

General ROCHELLE. The NSPS is a significant change for employees and supervisors. We did not expect rapid acceptance with initial implementation or after a single performance rating cycle. It will take more experience than we have thus far among the relatively small Spiral 1.1 workforce to see effects. The DOD is centrally monitoring component implementation activities and collecting data about workforce attitudes and personnel actions under NSPS. We look forward in the coming months to seeing the results of the Department-wide attitude survey conducted late last year. Army's first organization, the Civilian Human Resources Agency, some 2,400 employees, converted last April. Preliminary results on the first payout under NSPS indicate supervisors made distinctions in performance and rewarded employees based on their contributions.

Admiral HARVEY. The DOD and Department of the Navy are collecting and monitoring a large variety of information to determine if the desired outcomes and guiding principles identified in the Requirements Document were met. Information gathering will include statistics, and will be supplemented by surveys that allow employees, supervisors, and leadership to comment on the NSPS processes and implementation.

These first surveys and statistics will serve as initial data points for a baseline evaluation that is timely communicated to the workforce. It will provide an analysis of employees' performance ratings to salary growth, and indicators on how the workforce is faring under NSPS. In addition, the evaluations will address other matters such as:

- Retention and loss rates for higher and lower performers.
- Usage patterns for NSPS hiring, assignment, and conversion authorities.
- Equity analyses of performance, pay, and selection patterns.
- Supervisor opinions about pay flexibility and candidate quality.
- Employee opinions about performance expectations, feedback, and links to organization goals and rewards.
- Comparison of average compensation increases under NSPS to estimated increases had employees not converted to NSPS.

It will take more than one performance cycle for us to truly evaluate how well NSPS is working and where adjustments may be needed for long-term sustenance.

General COLEMAN. In conjunction with the DOD and Department of the Navy evaluation plans, the Marine Corps will be tracking and collecting a large variety of information from which detailed assessments will be made of the NSPS initiatives to determine if they provide the desired outcomes and meet the guiding principles set forth in its requirements document. Evaluation is a long-term activity to ensure there is sufficient experience with the system before judgments are made. Short-term analyses let DOD and the Navy monitor implementation and make minor adjustments.

The first surveys and the first statistics serve as initial data points; it will take more than one performance cycle for us to truly evaluate how well NSPS is working and where adjustments will be needed for long-term sustenance. In the meantime, we will collect data and be prepared to make a comprehensive evaluation. This evaluation will include the relationship of employees' performance ratings to salary growth and whether they are better off under NSPS as well as other matters such as:

- Retention and loss rates for higher and lower performers.
- Usage patterns for NSPS hiring, assignment, and conversionauthorities.
- Equity analyses of performance, pay, and selection patterns.
- Supervisor opinions about pay flexibility and candidate quality.
- Employee opinions about performance expectations, feedback, and links to organization goals and rewards.
- Comparison of average compensation increases under NSPS to estimated increases had employees not converted to NSPS.

General BRADY. NSPS is a major cultural change for DOD and it will take more than one performance cycle to truly evaluate how well NSPS is working and where adjustments will be needed for long-term sustainment. Employee buy-in evolves over time as the workforce sees NSPS working as designed. As NSPS is embedded in our management processes and the workforce gains greater experience and understanding of it we expect to see an upward trend in acceptance. We are measuring employee acceptance via attitude surveys, focus groups, and targeted interviews. We are tracking a variety of workforce and financial data and publicizing such data for employees' information.

ARMED FORCES RETIREMENT HOME

42. Senator GRAHAM. Secretary Chu, the committee is deeply concerned about continuing reports of quality of care problems at the Armed Forces Retirement Home (AFRH). The Department's stance is defensive. Timothy Cox, the Chief Operating Officer for the AFRH, said that the accusations are "without merit," and he has blasted the GAO for making "inflammatory allegations" without investigating them. We expect a thorough and independent review of quality of care issues at the AFRH. What are you doing to achieve that?

Dr. CHU. The Comptroller General noted in his letter dated March 19, 2007, that the allegations by unnamed "health care professionals" were not conclusions or findings resulting from a GAO investigation. Nevertheless, the Department has oversight responsibility for AFRH and takes these allegations very seriously. Michael Dominguez, Principal Deputy Under Secretary of Defense for Personnel and Readiness, assumed personal responsibility for investigating them. This is an update on actions that have been taken to date.

On March 20, Mr. Dominguez asked the Assistant Secretary of Defense for Health Affairs to assemble an experienced medical team to conduct an unannounced inspec-

tion, within 24 hours, to identify and fix any medical care practices deemed to be substandard, deficient, or that would jeopardize resident health care. He directed Tim Cox, the Chief Operating Officer, to provide full access to AFRH facilities, staff, records, and the residents. On March 21, a four-person medical team from the DOD's TRICARE Management Activity conducted this unannounced inspection beginning at 9 a.m. We received their report on March 22. During their inspection, the team could find no evidence to corroborate inferior care; the facility appeared clean and well run with well cared-for residents. The team suggested that the allegations will likely be discredited, except for that of a maggot-infested pressure sore—AFRH investigated this one incident last year, and appropriate disciplinary action was taken and properly documented.

The medical team also recommended a more thorough and detailed inspection take place as soon as possible. The Department then notified the Joint Commission on Accreditation of Healthcare Organizations (JCAHO)—an independent non-governmental organization—and welcomed a no-notice review by them. JCAHO arrived unannounced on March 23 to conduct an independent review. We received their report on April 9. There were four unrelated findings but the JCAHO surveyor did not substantiate any of the serious allegations listed in the GAO letter.

Also on March 21, in cooperation with DOD Public Affairs, interested news media were given access to AFRH. Staff were made available for walking tours and interviews with Tim Cox, Chief Operating Officer, as well as with residents. We are mindful that AFRH is our residents' home and have tried to be as unobtrusive as possible.

On March 22, Mr. Dominguez sent a letter to each resident and immediate family members/concerned parties informing them of the allegations and actions taken. He reminded them of the AFRH complaint hotline—1–866–769–2068—and encouraged use of this anonymous reporting mechanism to register concerns and noted that he personally reviews these calls. To date, the hotline has not received any calls related to the allegations.

On March 23, Mr. Dominguez and Leslye A. Arsht, the Deputy Under Secretary of Defense for Military Community and Family Policy, along with Phil Grone, the Deputy Under Secretary of Defense for Installations and Environment, conducted an on-site review at AFRH with professional staff members from the House and Senate Armed Services Committees and House Veterans Affairs Committee. We are following up on the feedback from the congressional staff, however, we saw no evidence of the substandard conditions alleged in the GAO letter, and we found the facilities and grounds to be clean and well-maintained.

Finally, we asked the DOD's Inspector General (IG) to conduct follow-up interviews with the health care professionals who made the initial allegations to better determine their source. In an April 19, 2007, briefing, the Acting Deputy Director, DOD IG reported that the health care professionals had repeated their allegations to the IG investigators, but again they have not been substantiated, and the DOD IG is continuing the investigation. Simultaneously, Mr. Dominguez tasked his staff to identify and compare standard business practices related to the medical and nonmedical allegations. He is also awaiting a recommendation from Tim Cox, Chief Operating Officer, AFRH, as to whether to seek additional independent accreditation/review (similar to JCAHO) for independent and assisted living, and will expedite this decision.

Based on our preliminary review, we do not see a crisis at AFRH, and most of the allegations that were made to the GAO had been surfaced before. In an old historic facility such as AFRH there are many structural problems we need to work on, and plans are in place to move forward on these. I will provide updates as our investigation unfolds and our follow-on recommendations.

We are grateful for our veterans' dedicated service to our Nation and can assure you we put their safety, health, and security first and foremost.

HEALTH CARE BENEFIT CHANGES UNDER TRICARE

43. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, last year the Vice Chiefs of Staff of each Service testified in support of Secretary Rumsfeld's plan to rapidly increase TRICARE fees for military retirees. Have challenges in recruitment and retention, or the problems at WRAMC, caused you to rethink the wisdom of making health care entitlements more expensive for retirees? If so, why? If not, why not?

General ROCHELLE. The growing costs of health care and the TRICARE program continue to challenge the DOD. Important changes are needed to sustain TRICARE as a superior healthcare program. DOD healthcare costs have nearly doubled in the

past few years—from $8.6 billion in fiscal year 2001 to $15.9 billion (requested) in fiscal year 2008. This growth is primarily do to unfinanced expansion of health benefits for all beneficiaries; advances in medical practice, including new technologies and pharmaceuticals; and, healthcare inflation. Additionally, the DOD will contribute $10.9 billion to the Medicare-eligible Retiree Healthcare Accrual Fund in fiscal year 2008 to pay for future retirees' healthcare within the TRICARE program. Note that most of DOD's health spending is not for Active Duty military and their families or for deployed medical operations. These beneficiaries generally rely on DOD as the sole provider of healthcare. Most of our health spending is for health benefits for military retirees and their beneficiaries.

To address the projected growth in healthcare spending, the administration proposed increasing fees on retirees in fiscal year 2007. Although these proposals were rejected by Congress, health care spending will continue to consume a larger portion of the Department's total obligation authority unless action is taken to address the expansion of health benefits. We support DOD's ongoing dialogue with Congress to ensure continuation of our superior military healthcare benefit. The interim report from the DOD Task Force on the Future of Military Health care is due May 31, 2007; the Task Force' work is to be completed in December 2007. We, along with others within the Department, await the interim Task Force report, which will address the issue of TRICARE cost-sharing. This will serve as a basis for our continued work with Congress on how TRICARE benefit changes should be shaped.

Admiral HARVEY. The DOD is firmly committed to protecting the health of our servicemembers and to providing world-class healthcare to its more than 9 million beneficiaries.

However, the Department is challenged by the growing costs of the Military Healthcare System (MHS), requiring important changes in TRICARE to sustain a long-term superior benefit. This will require the help and support of Congress. My understanding is that the Department is awaiting receipt of an interim report of the DOD Task Force on the Future of Military Healthcare as a basis for dialogue with Congress on what shape these changes will take.

DOD leadership remains resolute in the commitment to place the health benefit program on a sound fiscal footing to preclude the otherwise inevitable consequences. Costs have more than doubled in 6 years—from $19 billion in fiscal year 2001, to $39 billion in fiscal year 2007—despite MHS management actions to make the system more efficient. DOD projects program costs to taxpayers of at least $64 billion by 2015. Further, healthcare costs may be expected to consume a growing slice of the Department's budget, reaching 12 percent by 2015 (as compared to 4.5 percent in 1990).

General COLEMAN. The Military Health System provides the Nation's best health benefit program for those who continue to wear the uniform, retirees, and their families. TRICARE is the "gold standard" health care benefit, which must be sustained. Healthcare is not without cost. Military Health Program costs have doubled from $19 billion in fiscal year 2001 to $38 billion in fiscal year 2006, representing an increase from 6 percent to 8 percent of total DOD spending. Estimates indicate these costs could reach $64 billion in 2015, more than 12 percent of the DOD budget, an increase that is unsustainable without major impacts in other areas of current and future force readiness. Such growth is clearly faster than overall budget growth and could affect future investments in manpower end strength, readiness, warfighting and infrastructure. It is critically important that we place the health program on a sound fiscal foundation for the long-term, so that we can sustain the benefit and the vital needs of our military to recruit, train, equip, and protect our servicemembers who support daily our national security responsibilities throughout the world.

However, we "cannot/should not" break our promises to our "retirees" with respect to "their perceived/promised" health care benefit. There are approximately 76,000 retired Active Duty and Reserve Marines under the age of 65 who potentially would be affected by increased premiums and shoulder an "unfair" burden.

We are also concerned about the impact of increased TRICARE fees on our "future" retirees, many of whom we are now trying to retain as the Marine Corps grows to 202,000. One of the primary reasons for reenlisting is "quality health care" and increasing premiums for retirees will have a negative impact on current reenlistments. Additionally, the military's life-time medical benefits, as well as the military retirement system, are strong motivational forces for the thousands of young men and women who join our ranks each year. We should not lose sight of these aspects. Today's high operational tempo/wartime environment would be a poor time to "devalue" the retirement benefits for our current or future retirees and send a negative signal about the value of their retirement benefit.

General BRADY. Challenges in recruitment and retention or the problems at WRAMC are unrelated to and should not be directly linked to any effort focused on raising premiums for health care entitlements. The fiscal year 2008 budget request assumes savings of $2.2 billion from reform proposals (as projected last year for fiscal year 2008); we await the interim report of the DPD Task Force on the Future of Military Health Care as a basis for dialogue with Congress on how these should be shaped.

REDUCTION IN AGE OF RETIREMENT FOR RESERVES

44. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, what is your view of the potential impact on recruitment, retention, and manpower management the Reserve and Guard of lowering the age of retirement?

General ROCHELLE. The Army is continuing to analyze projected impact of lowering the retirement age for Reserve component soldiers but our initial review of the numbers shows that there are over 4,000 Army Reserve and over 7,000 ARNG soldiers spread across all specialties who would become immediately eligible for retirement once such a change was approved. If all of them chose to retire from service there would be a significant impact on our Reserve component mission.

From a manpower management standpoint, reducing the retirement eligibility age will decrease the predictability of soldier inventory size and hence increase the potential turbulence when distributing and employing the Reserve component. Although the increased amount of time between retirement eligibility and pension payout may encourage service beyond the eligibility age, there is no data on which to base projected inventory.

From the perspective of recruiting, it is possible that the lower retirement eligibility age will be attractive to Reserve component soldiers who tend to parallel civilian careers that continue beyond military Service. That possibility will remain speculative until we have been able to survey soldier attitudes in the present Reserve Force or the population of eligible candidates for service.

Admiral HARVEY. A recent study conducted by RAND found that reducing the age for the receipt of retired pay only marginally affects retention, and overall reduces the number of years a reservist will serve. This proposal would substantially increase costs—funds that could be put to better use to improve readiness and purchase much needed equipment.

Reserve members who volunteer for extended periods of Active Duty already receive a substantial increase in their military retired pay because of their additional service. Moreover, the Uniformed Services Employment and Reemployment Rights Act requires employers to credit, for the purpose of qualifying for an annuity under a retirement plan offered by the employer, periods of military service as serving with the employer. This allows reservists to use the same period of time to qualify for a retirement under two separate retirement systems.

General COLEMAN. The Marine Corps has reviewed several proposals, both internal and external, to reduce the Reserve retirement age. The most recent was April 2006 under S. 2449 in the 109th Congress. The Marine Corps did not concur with the proposal to reduce the Reserve retirement age to 55 based on the cost, impact of the force, and lack of evidence that the proposal would have on shaping the force.

At the time of that proposal, the DOD projected cost would be $600 million in the first year and $6.6 billion over the next 10 years. If health care entitlements were included with the decrease in retirement age, the costs would increase to $900 million and $10.6 billion respectively according to the 2004 DOD Report to Congress titled Reserve Personnel Compensation Review.

Proposals that gradually reduce the retirement age for service in support of contingency operations have certain merit and philosophically support the continuum of service concept. However, further study is required. While it may serve as a retention incentive, it might also negatively affect promotion opportunities of mid-career personnel.

Currently, there is no evidence that the proposals that call for the lowering the retirement age to 55 will help shape the force or increase recruitment. In fact, during recent years, attrition has remained below historic norms.

General BRADY. Changes to retirement eligibility for Reserve and Guard must be considered in the context of the Total Force, to include the effect on recruiting and retention and the larger issue of what it does to the growing cost of manpower. Some analysis has indicated that lowering the age of retirement would increase overall costs, and there could be adverse impacts on retention of highly-experienced airmen. This issue requires further study.

RESTRICTED REPORTING OF SEXUAL ASSAULT

45. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, the committee has heard of instances in which State law may limit implementation of the DOD policy on restricted reporting of sexual assault. Are you aware of any instance in which State law governing mandatory reporting of sexual assault has placed military personnel at a disadvantage in not being able to exercise the option of restricted reporting as permitted under DOD policy?

General ROCHELLE. The Army is not aware of any specific instance where a soldier was unable to exercise the restricted reporting option due to a State law which required mandatory reporting. However, the Army is aware that some States do have mandatory reporting requirements for rape, and/or injuries that may be sustained in conjunction with a sexual assault. California enacted one of the most restrictive of these State laws. California law requires medical personnel who treat a rape victim to make a report to their local law enforcement agency. A legal review of the California law by the DOD General Counsel office determined that it does apply to health care providers who are working in DOD military medical treatment facilities in that State.

The California law, and other less stringent State laws, may prevent servicemembers from exercising their restricted reporting option. One of the means used throughout DOD to mitigate this issue is the use of memoranda of agreements (MOA) between our installation and local civilian medical facilities, law enforcement agencies, and rape crisis centers. In some States where the reporting requirements are less stringent, these MOAs are sufficient. However, local MOA either may not be sufficient to mitigate the strict California and similar statutes or local authorities may decline to enter into MOAs.

Admiral HARVEY. Commander, Navy Installations Command advises that the Navy is unaware of specific members who were placed at a disadvantage in not being able to exercise the restricted reporting option. However, Navy restricted reporting data suggests that State mandatory reporting laws by medical providers may have a suppressive effect upon reporting by Active Duty victims who might otherwise make restricted reports under DOD policy. For example, the rates of restricted reporting per 10,000 Navy members for CY06 were 1.8 reports in Virginia, in contrast with 0.13 reports in California. Analysis of State laws conducted for the DOD Sexual Assault Prevention and Response Office indicated that California law requires medical providers to report treatment of any physical injury resulting from assaultive conduct to law enforcement, in contrast with Virginia, where medical providers are required to report only treatment of wounds inflicted by specific weapons.

General COLEMAN. The majority of the States have various degrees of statutory reporting requirements and there is potential for medical personnel to interpret these statutes to require sexual assault reporting to local law enforcement. Three States (Massachusetts, California, and Kentucky) have laws which mandate sexual assault reporting. The California law is of particular concern to the Marine Corps in view of the number of Marine Corps installations in the State. California law eliminates restricted reporting and, therefore, disadvantages Marine Corps personnel. California Penal Code requires medical personnel to report sexual assault to local law enforcement personnel as a condition to legally practice medicine. Accordingly, victims may not seek medical care in California without having their case reported to law enforcement. Other States that could present an obstacle to restricted reporting are Florida, Georgia, Ohio, Michigan, New Hampshire, and Pennsylvania. In these States, if a victim suffers non-accidental or intentional injuries in addition to the sexual assault, medical personnel must report the incident to law enforcement. However, we are not aware of any case where Marine Corps personnel could not take advantage of restricted reporting. We recommend coordination with DOD's Sexual Assault Prevention and Response Office for information on the individual States' reporting requirements.

General BRADY. A conflict can arise between State statutes and the restricted reporting option when it is necessary to have a SAFE conducted in a civilian facility off the installation. While restricted reporting offers the option to have a SAFE completed without command and law enforcement being notified, the civilian hospital conducting the SAFE must comply with any State reporting statutes. These statutes can require law enforcement be notified when specified conditions exist. Several major commands have reported instances where this conflict has occurred.

Laws that require medical personnel to report that they have treated a competent, adult sexual assault victim fall into four categories: (1) laws that require medical personnel to report treatment of rape victims; (2) laws that require reporting of non-accidental or intentional injuries, that may include rape; (3) laws that require re-

porting certain specified injuries, such as injuries caused by weapons, that may pertain to sexual assault victims; and (4) laws regarding SAFEs that may also contain reporting requirements. In addition, there are State licensing requirements for medical professionals which may contain reporting obligations.

Our Sexual Assault Prevention and Response professionals have been and will continue to partner with Air Force legal and medical personnel on how best to resolve this important issue. In some States, resolution of the conflict between the State reporting requirements and restricted reporting has not been possible. If that occurs, we ensure the victim is fully advised of the situation so that the victim can make an informed decision as to whether to have a SAFE completed.

CIVILIAN CONVERSIONS OF MEDICAL PERSONNEL

46. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, in spite of certifications provided by each Service Secretary that civilian conversions have not eroded the quality of military health care, we continue to hear that such conversions result in unfilled medical positions. Major General Pollack, Acting Surgeon General of the Army, recently informed the committee that the inability to hire civilian medical personnel for converted military billets at WRAMC contributed substantially to staffing shortages at WRAMC. Is it time to stop and reassess the validity of this process for medical personnel?

General ROCHELLE. We do not want to stop the backfilling of military positions with civilians when operational demand requires us to realign the military. However, we recognize the need to reassess our plans and programs and are currently re-evaluating select medical military-civilian conversions. Military-civilian conversions play a key role in increasing Army operational capabilities. Backfilling medical positions in the Institutional Army with civilians and realigning the military positions to the operational Army affects dwell times and helps reduce stress on the force. Eliminating military-civilian conversions as a tool for retaining civilian capability in our medical facilities when military are realigned to meet operational requirements as required by operational demand could lead to shortfalls in medical capacity. We have, to date, filled 30 converted positions for fiscal year 2007. We currently have 41 unfilled nursing assistant and health aid technician positions, for which we have commitments to hire for 17. We are taking steps to fill the remaining positions by expanding our use of recruitment, retention, and relocation incentives. The average fill time for converted military positions at WRAMC has been 70 days in administrative, nursing, dental assistant, operating room technician, medical supply specialist, and engineering technician positions.

Admiral HARVEY and General COLEMAN. Navy has certified that continuing conversions planned for fiscal year 2005 and fiscal year 2006 will not adversely affect cost, quality, or access. To date, military to civilian conversion success has been 84 percent for fiscal year 2005 and 53 percent for fiscal year 2006. Navy cannot forecast, with confidence, the future market of health professionals. As the medical labor market tightens, we anticipate hiring will become increasingly difficult.

Since 2005, Navy has experienced difficulty in hiring qualified individuals for certain specialties such as dentists, dental assistants, nurses, lab technicians, and pharmacists. The market for these specialties is especially constrained. Some medical specialties, such as radiology, are expensive, while others include mid- to low-paying jobs in which the applicant pool cannot support the increasing demand. Failed security screenings, physical disqualifications, and hiring lag issues have all exacerbated the situation. Hiring into some specialties may become so difficult in the civilian market that reconsideration of some conversions may become necessary.

Navy is constantly reassessing its military-to-civilian conversion process. We have adopted a forward looking approach to investigating, requesting, and implementing hiring flexibilities to include title 38, U.S.C., special hire, and direct hire authorities. Navy is currently reviewing hiring policies and procedures in an attempt to streamline the process. If the labor pool is available, cost effective, and does not adversely impact operational readiness or quality or access to healthcare, we would plan on continuing to convert positions.

General BRADY. As of March 31, 2007, the Air Force Medical Service (AFMS) has filled 245 of 403 positions converted in fiscal year 2006 and 230 of 813 positions converted in fiscal year 2007. An additional 963 positions will be converted in fiscal year 2008. The AFMS has the following concerns regarding the process:

- A hiring freeze during fiscal year 2006 negatively impacted AFMS ability to fully execute military-to-civilian conversions.

- The ability to execute military to civilian conversions is dependent on the location of conversion and availability of potential candidates.
- Under-execution causes decreased production yielding less efficient MTFs.

Given these concerns, we do not believe additional military to civilian conversions should be pursued until we can accurately assess the effectiveness of the process. The AFMS is requesting the Air Force Audit Agency perform an audit of the fiscal year 2006–fiscal year 2008 Enhanced Planning Process to review and assess effectiveness of recruitment, ability to access interested and available candidates; timeliness of backfilling vacancy after initial military to civilian hire; access to care, and net savings (MILPERS versus O&M Civilian Pay) at hospitals, medical centers, and designated clinics.

47. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, how close to reality for the medical professions is Dr. Chu's testimony that "the average costs of civilians are less than the average costs of military?"

General ROCHELLE. Analysis conducted during the Department's most recent Medical Readiness Review (MRR) showed that the conversion of 11,949 medical military billets to civilian performance (to include 1,288 physicians, 794 dentists, 837 nurses, and 840 other medical officers) would produce average savings of $22,900 per year short-term, and $30,100 per year long-term, for each billet converted. The average savings of a civilian replacement for other Government agencies is $4,500 per year short-term and increases to $20,700 per year long-term. The analysis includes a full accounting of the costs of military and civilian medical personnel that has both: short-term costs such as pay, health insurance, retirement, education, training, and recruitment; and deferred costs such as health benefits, separation pay, and unemployment and survivor benefits. In their 2006 report on "Military Personnel: Military Departments Need to Ensure That Full Costs of Converting Military Health Care Positions to Civilian Positions Are Reported to Congress," the GAO endorsed the Department's approach for costing military to civilian conversions. However, it is important to note that the Army is doing military-to-civilian conversions to increase operational capability.

Admiral HARVEY and General COLEMAN. Based on the hiring experience in fiscal years 2005 and 2006, Navy Medicine found that the conversions did not increase cost overall and access to care has stayed within standards.

The issue with military-to-civilian conversions is not as much a matter of pricing accuracy as it is rather the availability of labor in the local markets where Navy Medicine is hiring. Between 2005 and present, Navy Medicine has experienced difficulty in hiring medical professionals in certain specialties, to include dentists, dental assistants, nurses, lab technicians, and pharmacists. The market for these specialties is especially constrained. Other converted positions include mid-to-low paying jobs and we are finding that the labor supply cannot support the increasing labor demand. Other aspects such as failed security screenings, physical qualifications, and hiring lags contribute to the hiring challenges.

General BRADY. In general terms this may be true for enlisted specialties, nonprofessionals, and paraprofessionals. However, for professional capabilities and skill sets (i.e., Physicians, Nurses, and Dentists) civilians may actually be more expensive particularly in high cost markets (Seattle, Washington D.C., Bay Area, Denver) or in low density specialties areas. The ability to execute military to civilian conversions is also dependent on the location of conversion and availability of potential candidates.

DRUG AND ALCOHOL USE BY SOLDIERS IN MEDICAL HOLDOVER

48. Senator GRAHAM. Dr. Jones, what are the issues of drug use by soldiers in medical holdover?

Dr. JONES. Soldiers in medical holdover are subject to the same regulations as all military members on Active Duty. Illegal drug use is not an accepted behavior. Routine random urine drug screening and command-directed urine drug screening programs are in place.

49. Senator GRAHAM. Dr. Jones, what are the issues of alcohol abuse by soldiers in medical holdover?

Dr. JONES. Alcohol abuse by servicemembers on Active Duty, including those in medical holdover, is a DOD concern because it may affect the health and safety of those individuals who abuse alcohol. Programs to deglamorize alcohol use and edu-

cate servicemembers to seek care and counseling for alcohol abuse are prominent in each Service, installation, and unit.

50. Senator GRAHAM. Dr. Jones, regarding use of illegal drugs, is there a drug problem at WRAMC?

Dr. JONES. Although any wrongful use of illegal substances is problematic, the overall statistics for the Medical Hold (MH) and Medical Holdover (MHO) group of servicemembers are about the same as the rest of the Army. In fiscal year 2006, the combined data collected from MH and MHO was:

Total Samples Collected: 773
Total Positive Results: 14
Percentage Positive: 1.8 percent

The comparable statistic for total Army was 1.7 percent. Statistically, the MH and MHO positive rate for illicit drugs was essentially a match to the total Army rate in fiscal year 2006.

The fiscal year 2007 combined data shows that the positive rate was cut in half for MH and MHO during the first half of the fiscal year.

Total Samples Collected October 2006 through March 2007: 353
Total Positives: 3
Percentage Positive: 0.8 percent

The Army Substance Abuse Program at WRAMC attributes the reduction in positive testing results to the increased vigor of the Medical Center Brigade testing program. Deterrence of drug usage in response to an increased possibility of detection through random drug testing is a well known outcome in Army drug testing programs. The Army Substance Abuse Program at WRAMC provides a number of services to support the MH and MHO soldiers.

- A quality Outpatient Treatment Program for substance abuse disorders
- Referral as needed to higher levels of care in the military and civilian communities
- Coordination with Inpatient Psychiatric services to support servicemembers who have both a substance problem and psychiatric issues
- Close coordination with commanders to manage servicemembers who are enrolled in the substance abuse treatment program
- Alcohol and Drug Awareness Education Classes for MH and MHO staff and patients on request
- Participation in the orientation of MH and MHO soldiers
- Installation campaigns which focus on alcohol and drug abuse

51. Senator GRAHAM. Dr. Jones, how many soldiers have tested positive for using illegal drugs while in a medical hold or medical holdover status?

Dr. JONES. Soldiers in medical hold and medical holdover are subject to the same regulations as all military members on Active Duty. Illegal drug use is not an accepted behavior. Routine random urine drug screening and command-directed urine drug screening programs are in place. However, at the DOD level, we do not track positive drug tests by the individual's presence on a medical hold or medical holdover list.

52. Senator GRAHAM. Dr. Jones, what actions did the Army take in cases of those who tested positive, if any, for use of illegal drugs?

Dr. JONES. The Army processes all incidents of illegal drug use in strict compliance with the Uniform Code of Military Justice—regardless of a soldier's duty status. Medical holdover soldiers are held to the same standards as their Active Duty counterparts.

53. Senator GRAHAM. Dr. Jones, is there a pervasive problems of illegal drug use in medical holdover throughout the Army?

Dr. JONES. There is no pervasive problem of illegal drug use in medical holdover throughout the Army.

RECRUITMENT AND RETENTION OF MEDICAL PERSONNEL

54. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, we are now more than a year into the debate about how to improve recruiting and retention of medical personnel in both the Active and Reserve components. What actions have you undertaken in fiscal years 2007 and 2008 to address this critical need within the Services?

General ROCHELLE. Currently, the Army employs health professional scholarship, financial assistance, loan repayment, and Reserve component specialized training assistance programs in conjunction with student stipends, accession bonuses, and Incentive Specialty Payments (ISPs) to augment our recruiting efforts to achieve medical personnel accession goals for fiscal year 2007. Likewise, we utilize ISPs and Critical Skill Retention Bonuses (CSRBs) to assist in retaining those health professionals currently answering the Nation's Call to Duty.

Additionally for fiscal year 2008, the Army plans to implement the following initiatives: 1) expand the Referral Bonus Program to include AMEDD applicants upon congressional authorization approval, 2) increase health professional scholarship stipends, and 3) increase outreach for accessioning (i.e., touring with the new Team Medic Support Vehicle). Specifically to address the concerns with nursing shortfalls, the Army plans to increase the Army Nurse Accession Bonus from $25,000 to $30,000; allow officers serving in other Army specialties to obtain an entry-level nursing degree while remaining on Active Duty; and expand the CSRB for nurses to include other nursing specialties.

We continue to review the benefits of implementing a AMEDD Officer Accession Bonus Pilot Program that would pay applicants up to $6,000 for completing the entire accession process within 90 days, expanding or increasing targeted incentives, and offering civilian doctors the opportunity to serve a reduced 2-year military service obligation in lieu of the statutory 8-year service obligation term.

Admiral HARVEY and General COLEMAN. Navy has established a focused Medical Capabilities Working Group (MCWG) to develop a strategy for building and sustaining the necessary medical capability for the Navy of 2013. Rising civilian sector competition and wages caused by the surge in demand for health care services to support an increasingly aging national population adds difficulty to the recruiting and retention of medical professionals. While this MCWG develops a comprehensive strategy, we have:

- deployed a Medical Speaker's Bureau to send Navy doctors, dentists, and Medical Service Corps (MSC) officers in critical skills to meet and recruit prospects at medical university campuses (BUMED provided $100,000 in Temporary Additional Duty funds to support this effort);
- hired, trained, and put in place 22 medical officer recruiters on Active Duty for Special Work (ADSW) orders to bolster our total force (Active and Reserve) medical officer recruiting efforts;
- refocused advertising/marketing plans on medical recruiting. These included email, direct mailings, influencer packages, job postings on Monster.com, and new print ads for Nursing, Dentistry, and Physicians;
- expanded Reserve component (RC) eligibility for the $10,000 Affiliation Bonus to all health professions officers (physician, dentist, nurse, and MSC) in non-wartime critical specialties;
- initiated a Critical Skills Accession Bonus (CSAB) for Health Professional Scholarship Program (HPSP) students on a limited basis due to resource constraints.

Current medical professional retention incentives include:

- Medical Corps: Multiyear Special Pay (MSP), Incentive Special Pay (ISP), Variable Special Pay (VSP), Additional Special Pay (ASP), and Board Certified Pay (BCP);
- Dental Corps: Dental Officer Multiyear Retention Bonus (DOMRB), Incentive Special Pay (ISP) for Oral and Maxillofacial Surgeons, Additional Special Pay (ASP), Critical Skills Retention Bonus (CSRB) for general dentists, and Board Certified Pay (BCP);
- Nurse Corps: Nurse Anesthetists Incentive Special Pay (ISP), and Board Certified Pay (BCP);
- Medical Service Corps: Optometry Pay, Optometry Retention Bonus (ORB), Pharmacy Officer Special Pay (POSP), and Non-Physician Healthcare Provider Board Certified Pay (BCP).

We have also recommended the designation of Clinical Psychologists and junior Nurse Corps Officers within selected year groups as having a critical skill for the purposes of establishing a critical skills retention bonus.

Congress also included additional authorities in the National Defense Authorization Act (NDAA) for Fiscal Year 2007. Within resource constraints, we are moving forward to put many of these authorities in place to confront the mounting readiness challenges we face in the health professions. These include:

- Increase in the Health Professions Scholarship Program (HPSP) stipend from $15,000 to $30,000;
- Direct accession bonus of up to $400,000 for physicians and dentists;

- Increase in the Health Professions Loan Repayment (LRP) from $22,000 to $60,000;
- Increasing the Financial Assistance Program (FAP) grant from $30,000 to $45,000.

We also note, with appreciation that both House and Senate introduced versions of the NDAA for Fiscal Year 2008 include the following additional authorities we requested to address health professions readiness concerns:

- Increase in incentive special pay and multiyear retention bonus for medical officers of the Armed Forces;
- Increase in dental officer additional special pay;
- Accession bonus for participants in the Armed Forces health professional scholarship and financial assistance program.

General BRADY. We have allocated our available special and incentive pay dollars to optimize return on investment during the period. Supported by the Air Force Recruiting Service and AFMS, the Air Force Personnel Directorate (AF/A1) has also championed the need for additional dollars for medical accession bonuses and health professions scholarships at both the Air Force and OSD/(Health Affairs) levels. AF/A1 is also in the process of standing up the Recruitment and Retention Investment Strategy Council, which will oversee medical personnel investment strategies, balance recruiting and retention, to provide a total mission-ready force.

55. Senator GRAHAM. Lieutenant General Rochelle, Vice Admiral Harvey, Lieutenant General Coleman, and Lieutenant General Brady, are any additional authorities needed to assist you?

General ROCHELLE. We do not foresee requiring additional authorities for fiscal year 2007 or fiscal year 2008; however, your assistance in ensuring the current proposed initiatives are approved and fully funded is critical in taking the right steps towards addressing the medical personnel requirements of the Army. Additionally, the Army's ability to compete with the civilian market requires that you remain receptive to future requests that may arise to ensure we remain postured to meet the medical needs of our soldiers during this sustained conflict.

Admiral HARVEY. I appreciate the outstanding support Congress provided through enactment of new or enhanced authorities included in the NDAA for Fiscal Year 2007, intended to bolster medical recruiting, such as new accession bonuses, increased limits for loan repayment, and increased stipends for participants in the health professional scholarship and financial assistance programs. Within resource constraints we are moving forward to put many of those authorities in place to confront the mounting readiness challenge we face, particularly within the health professions.

I also note, with appreciation, that Senate- and House-introduced versions of the NDAA for Fiscal Year 2008 include the following additional authorities we requested to address specific health professions readiness concerns:

- increase in incentive special pay and multiyear retention bonus for medical officers,
- increase in dental officer additional special pay,
- accession bonus for Armed Forces health professional scholarship and financial assistance program participants.

We are continuing to evaluate other possible initiatives that would assist in health professions recruiting, such as:

- initial accession bonus for Clinical Medical Service Corps Officers,
- increase in the accession bonus cap for registered nurses accepting a commission,
- increase in the accession bonus cap and stipend for nursing students,
- bonus for successful referrals into Navy medical programs, and
- utilizing the Health Professional Scholarship Program (HPSP) for certain undermanned Clinical Medical Service Corps communities.

General COLEMAN. USMC M&RA needs several new authorities in order to better carry out its mission:

First, we need the authority to pay IRR marines for taking the time to complete electronic screening. This is a NDAA for Fiscal Year 2008 initiative that would compliment our current in-person muster program. It will enable us to pre-screen members of the IRR without the high cost and time commitment of a muster. We are thankful for its inclusion in H.R. 1585 and S. 567, as introduced.

Second, we would also like to see tax-free Selective Re-enlistment Bonus (SRB) authority. This would remove the current inequities in the SRB program. Currently, some marines are denied the tax-free benefit solely because their deployment time

does not coincide well with their end of active service date, neither of which is in their control; one day may very well make the difference between a marine being taxed on his or her SRB or not. Most marines will have deployed during their prior enlistment so the date of that deployment should not be a limiter to the tax-free benefit, and those few marines who do not deploy during their current enlistment will inevitably deploy in support of the Commandant's program to get "every marine into the fight." Furthermore, many marines currently try to delay their decision to re-enlist until they are in a tax-free status, reducing the predictability of reenlistments which complicates manpower planning. SRB is a tool to increase retention. As such, all marines entitled to SRB should be entitled to the tax-free benefit.

Third, USMC M&RA would like expanded authority to pay a regular re-enlistment bonus. This would assist with our retention efforts, made even more challenging by the recent increase in authorized end strength. This bonus would be significantly less than the current SRB we offer for special skills. Marines who qualify for both would only be entitled to the higher of the two.

Finally, the USMC needs a permanent increase in General Officers (GOs) in order to more effectively carry out its mission. An increase in Active GOs from 80 to 90 and in Reserve GOs from 10 to 12 is requested. This will enable us to fill all of our GO requirements, some of which are currently gapped, and to enable all of our GOs better opportunity to compete for joint positions.

General BRADY. At this time, our limiting factors are more frequently dollars for execution than shortfall in authority. As mentioned above, we are pursuing additional dollars to support both accession bonuses for medical personnel and an increased number of Health Professions Scholarships. Both initiatives, when funded, should have a substantial impact on our medical personnel shortages.

QUESTION SUBMITTED BY SENATOR SUSAN COLLINS

BENEFITS

56. Senator COLLINS. Secretary Hall, on March 15, outgoing Army Chief of Staff General Schoomaker told this committee that 55 percent of our Nation's total Armed Forces are now National Guardsmen and reservists. That to me is a staggering statistic. If we are going to rely so heavily on these citizen soldiers, at least in the short-term, I believe we need to reevaluate the benefits provided to these men and women.

I, along with a number of my colleagues in the Senate, am concerned with the growing disparity between Active Duty and Reserve component educational benefits. We have mobilized National Guardsmen and reservists serving side-by-side with Active Duty servicemembers in Iraq and Afghanistan, and I have heard a number of senior defense officials say that you simply cannot tell the difference between Active Duty servicemembers and Reserve component forces in theatre.

Yet, today, Selected Reserve educational benefits pay 29 cents to the dollar compared to those of the Active component. Moreover, many National Guardsmen and reservists today don't have time to use the educational benefits available to them because they are being mobilized so frequently.

What are your thoughts on this issue and are there any changes you think may be warranted given how much we are asking of the Reserve component forces today in the global war on terror, both at home and abroad?

Secretary HALL. The Reserve components have comprised over 50 percent of our Armed Forces for several years. There is no doubt that they are an integral and vital component of our military capability. They have been called upon in unprecedented numbers beginning with the first Persian Gulf War, and they have performed magnificently. Moreover, they are enlisting and reenlisting during these challenging times such that the Department is meeting its strength goals.

One of the incentives that has helped us in meeting our strength goals since 1984 is the Montgomery GI Bill for the Selected Reserve (MGIB–SR). This educational assistance program not only provides a strong recruiting incentive, it also helps us retain personnel because to use the benefit, an individual must serve a minimum of 6 years and continue to serve. However, there is an exception to the requirement for continued service in the Selected Reserve for a member who has served on Active Duty. Not only is the delimiting date extended by the amount of time served on Active Duty plus 4 months, but the MGIB–SR benefit can be used following separation from the Selected Reserve as well for a period of time that equals the amount of time served on Active Duty plus 4 months. Thus, a member who is called away from his or her studies does not lose that period of eligibility because of military service. Moreover, the rotation goals set by the Secretary of Defense are designed to provide

a significant period between involuntary mobilizations—5 years. This provides ample time for Selected Reserve members to use the educational assistance programs available to them. While a member may voluntarily perform more duty, the minimum training requirement prior to the year leading up to mobilization is only 39 days a year.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

MILITARY HEALTH SYSTEM

57. Senator CHAMBLISS. Secretary Chu and Secretary Hall, you mention in your written statement regarding Reserve component retention that you "are closely monitoring retention/attrition particularly for those members who have been mobilized and deployed to support operations in Iraq and Afghanistan." At this point, what type of information are you finding as you monitor this situation and do you see any trends that are noteworthy?

Dr. CHU and Secretary HALL. Measuring all losses, regardless of reason, from the Reserve components, we are pleased to report that enlisted attrition remained below established ceilings for fiscal year 2006, continuing a very positive trend. As a matter of fact, the composite (officer + enlisted) attrition rate of 18.4 percent was the lowest it has been since fiscal year 1991. Through February 2007, enlisted attrition is on track to remain below established ceilings for each Reserve component. We are closely monitoring retention/attrition, particularly for those members who have been mobilized and deployed to support operations in Iraq and Afghanistan and have seen a propensity by these veterans to continue to serve. A recent study revealed that Reserve members who were mobilized and deployed into the theater of operations were retained at similar rates to those not mobilized, and at higher rates than those mobilized but not deployed.

DOD SCHOOLS

58. Senator CHAMBLISS. Secretary Chu, I am pleased to see that you focus on education of military children in your written statement, and that you note the challenge that DOD is creating for numerous local communities who will be absorbing thousands of military dependent students as a result of Base Realignment and Closure (BRAC), global rebasing, and force restructuring. I note that the President's fiscal year 2008 budget request includes $2.4 million to allow DOD to share expertise and experience with local, non-DOD schools impacted by these changes, to help these schools properly prepare for and educate these military dependent students. However, I also note that the Department also lists a $62.6 million unfunded requirement for this issue. In my home State of Georgia, Fort Benning will experience an influx of approximately 6,000 DOD personnel plus associated contracts as a result of BRAC. This influx is going to severely strain the local school districts that do not have the resources to construct new schools or hire new teachers in advance of arriving students. What specifically would this $62.6 million unfunded requirement pay for?

Dr. CHU. The 2006 NDAA authorized the DODEA to establish partnerships with local and State educational agencies to promote quality education for military dependent students. The DODEA fiscal year 2008 budget includes $2.4 million of the unfunded requirement of $62.6 million to conduct initial assessments of school district needs and to begin developing partnerships with the affected school systems. Of course, DOD cannot build schools, estimated to cost billions of dollars, to help with this influx. Instead, DODEA will share its expertise in the areas of high quality educational programs, academic support, educator placement, and implementation of the President's Foreign Language Initiative to increase foreign language proficiency (especially in Mandarin Chinese and Arabic) in local education agencies.

59. Senator CHAMBLISS. Secretary Chu, why is it an unfunded requirement versus in the budget request?

Dr. CHU. The 2006 NDAA recently authorized the DODEA to establish partnerships with local and State educational agencies to promote quality education for military dependent students. In response, the $2.4 million requested in the DODEA fiscal year 2008 budget provides start-up funding for this effort.

60. Senator CHAMBLISS. Secretary Chu, is DOD planning to fund this effort in future years in order to further address this issue?

Dr. CHU. The Department will request funding in subsequent years to coincide with planned troop movements to assist with the transition of military children by sharing educational excellence with local education agencies. The goal of this effort will be to ensure that a high quality educational program is provided to all military dependents living both inside and outside the gates of military installations.

MANNING AND STRESS ISSUES

61. Senator CHAMBLISS. General Brady, some Air Force specialties such as security forces are experiencing deployment stress due to heavy deployed requirements. What is the Air Force doing to alleviate manning shortages and career-field stress related to increased deployments?

General BRADY. The Air Force is aggressively balancing assigned personnel across specialties while we size the overall force in accordance with our modernization/recapitalization plans. We have determined to fund manpower needs to meet future core Air Force mission capabilities while filling combatant commander needs in lieu of (ILO) Army and other sourcing requirements. In other words, the Air Force is not growing personnel inventories in heavily sourced specialties, like security forces, just to fill ILO taskings. The Air Force is also maximizing the number of qualified people eligible to deploy to reduce the tempo in stressed specialties across force. In particular for security forces, schoolhouse production is currently maxed-out, training roughly 5,000 new students each year to enter the Total Force. Re-enlistment bonuses are being offered to two of the three security forces specialties, and to other stressed specialties to improve retention in these crucial warfighting skills.

[Whereupon, at 5:35 p.m., the subcommittee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2008

WEDNESDAY, APRIL 18, 2007

U.S. SENATE,
SUBCOMMITTEE ON PERSONNEL AND
SUBCOMMITTEE ON READINESS
AND MANAGEMENT SUPPORT,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

JOINT HEARING WITH THE SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT TO RECEIVE TESTIMONY ON THE READINESS IMPACT OF QUALITY OF LIFE AND FAMILY SUPPORT PROGRAMS TO ASSIST FAMILIES OF ACTIVE DUTY, NATIONAL GUARD, AND RESERVE MILITARY PERSONNEL

The subcommittees met, pursuant to notice, at 3:07 p.m. in room SR–232A, Russell Senate Office Building, Senator E. Benjamin Nelson (chairman of the Subcommittee on Personnel) presiding.

Committee members present: Senators E. Benjamin Nelson, Akaka, Inhofe, Chambliss, and Graham.

Majority staff members present: Jonathan D. Clark, counsel; Gabriella Eisen, professional staff member; Gerald J. Leeling, counsel; and Michael J. McCord, professional staff member.

Minority staff members present: Derek J. Maurer, minority counsel; Lucian L. Niemeyer, professional staff member; Diana G. Tabler, professional staff member; and Richard F. Walsh, minority counsel.

Staff assistants present: David G. Collins and Benjamin L. Rubin.

Committee members' assistants present: Darcie Tokioka, assistant to Senator Akaka; Benjamin Rinaker, assistant to Senator Ben Nelson; Gordon I. Peterson, assistant to Senator Webb; Clyde A. Taylor IV, assistant to Senator Chambliss; and Adam G. Brake, assistant to Senator Graham.

OPENING STATEMENT OF SENATOR E. BENJAMIN NELSON, CHAIRMAN

Senator BEN NELSON. The Personnel and Readiness and Management Support Subcommittees of the Senate Armed Services Committee meet together this afternoon to consider the impact of

quality of life and family support programs on the readiness of Active Duty, National Guard, and Reserve personnel.

We're holding this joint hearing of our two subcommittees at the recommendation of Senator Akaka, who is chairman of the Subcommittee on Readiness and Management Support. I think, Senator Akaka, this is a great idea, and I appreciate very much your suggesting it.

We all understand that our military personnel cannot focus on the mission at hand if they are distracted with worries about whether their families are being taken care of. Taking good care of military families translates directly to improved military readiness. It's our intent to support policies and programs that foster a family-friendly environment for our military families. So, Senator Akaka, thank you for your leadership on this.

It's certainly appropriate that we hold this hearing on family readiness during April, as April is the month of the military child. Military parents have the very difficult and challenging task of raising children during these highly stressful times of deployment, redeployment, extended deployment, and reintegration into home life upon return from deployment. The Secretary of Defense just recently announced that the Army combat tours will be extended from 12 to 15 months. What impact will this have on our military families? I'll be interested in hearing whether the Army is making a special effort to address the needs of the families of the servicemembers who just learned that they will be coming home 3 months later than they had planned. What will the families have to say about this recent change? Parenting is challenging enough without these additional stresses. Military parents need help, especially during these trying times, and that's what this hearing is all about.

Today, we'll hear from Senator Chambliss about his proposal to reduce the age at which certain National Guard and Reserve retirees are eligible to receive retired military pay.

Next, we will hear from the Department of Defense (DOD) and from the military services about programs and policies that they have in place to help our military families.

Following their testimony, we will hear from military spouses, who have a great deal of experience in dealing with the challenges faced by military families, and the National Military Family Association (NMFA), as well.

We hope to hear from them about the effectiveness of the various programs for dealing with the unique stresses of military life, especially during deployments. We also would like to hear about other programs, including programs sponsored by civilian communities that reach out to our military families and contribute to their quality of life and financial readiness. Then, finally, we'd like to know if there are any gaps, or areas that these programs don't address.

I plan to introduce our witnesses as their panel is called to testify.

Senator Akaka, do you have an opening statement?

STATEMENT OF SENATOR DANIEL K. AKAKA

Senator AKAKA. Yes, Mr. Chairman, but I'd be willing to go after the ranking member.

Senator GRAHAM. No, it's fine.

Senator AKAKA. Thank you very much, Mr. Chairman.

Chairman Nelson, I want to thank you for agreeing to hold this joint Personnel and Readiness and Management Support hearing today. I'm very, very pleased that the members of the Readiness and Management Support Subcommittee are joining today with Senator Graham, the ranking member, and Senator Inhofe, here, and another witness, Senator Chambliss, to participate in this hearing in support of our military families in order to illustrate how important family readiness is to the readiness of our military forces and to examine what we can do to improve family readiness.

We have a large military population, from all four Services, living in Hawaii, and I was glad to see that the four Services and the National Guard and Reserves are represented here by spouses. They are valued members of our community. I know that it is not only our men and women in uniform, but also their families, who serve our Nation and who bear the brunt of the heavy demands placed on our military.

Just as we are responsible for the well-being of our servicemembers, likewise we have a responsibility for their families. As chairman of the Readiness and Management Support Subcommittee, I asked that we hold this hearing today, because I'm convinced that how well we care for the families of our servicemembers directly affects the quality of our military. I really believe our military leaders understand this, as well.

Two days ago, the Army announced a series of belt-tightening measures to deal with the unexpected costs of the President's so-called "plus-up" of forces to Iraq. The Army specifically exempted family support programs from any reductions.

I also know that our Personnel Subcommittee, chaired by Senator Ben Nelson, has the most expertise on the programs that affect our families. So, I'm very pleased that we could work out this joint hearing with them, and want to thank, again, Senator Ben Nelson and Senator Graham for agreeing to hold this hearing with us.

I want to welcome the witnesses for all of our panels this afternoon, especially those of you that have traveled far to be with us today. We have three panels and many witnesses today, so I will not take up valuable time by mentioning everyone individually, but I want you all to know, especially witnesses on the final panel, how much we appreciate both your being with us today and how much you do for your country through your families.

I look forward to hearing from our colleague Senator Chambliss, our witnesses from DOD, and spouses, on our third panel. We have a wide range of issues to discuss today, from childcare and schools to counseling services to housing, and I could list many more.

I hope that our witnesses today will be able to speak to two topics of particular interest to me:

First, the unique financial stresses that military families—Active Duty personnel, National Guard, and Reserves—may face, in particular due to deployments, and whether financial planning services are widely available to these military families to meet these challenges.

Second, I think we need to discuss not only what is the DOD doing for military families, but what role does the local community

play in supporting military families, both in the Active Duty, as well as National Guard and Reserves. What role should it play? How much community involvement do military families really want?

I will be especially interested in hearing from our final panel on this. Do our military families want as much interaction with, and assistance from, the civilian community as possible, or do they prefer to take care of their own?

So, with these questions, let me say that I look forward to discussing this with our witnesses during our course of this hearing.

Again, Mr. Chairman, I want to thank you so much for holding this hearing.

Senator BEN NELSON. Thank you, Senator Akaka.

Senator Graham, you're no stranger to this. If not for the change in November, you would still be the chairman and I would be the ranking member. Senator Chambliss has also been the chairman when I was the ranking member, so you certainly are no stranger, either.

So, Senator Graham, do you have some opening remarks?

STATEMENT OF SENATOR LINDSEY O. GRAHAM

Senator GRAHAM. Yes, thank you.

To our panel members, welcome, and I look forward to hearing from you and having some questions.

To Senators Akaka and Nelson, congratulations for taking over the respective subcommittee gavels. It was an honor and a pleasure to have chaired the Personnel Subcommittee and to work very closely with Senator Nelson, who is an absolute joy to work with. I have a feeling that even though our titles may have switched, the work product will be the same.

We accomplished a lot in the 109th Congress, and I look forward to continuing that, because the fight is stronger. The pressure on families is stronger in this Congress than it was in the last Congress, with no end in sight. So, that's why this hearing is so important, that we have a ready force, and you can't have a ready force without their families being well taken care of. The two go together.

As to Senator Chambliss, I am very pleased that he was able to come here today to talk about a measure that he's been championing. He's the co-chairman of the Senate Reserve Caucus, with Senator Pryor. It's about the dilemma the country faces with our National Guard and Reserves. They're being used in historic numbers, in multiple deployments, akin only to World War II. We have a system that hasn't changed in 30 years, in many ways, and now is the time to look at the retirement system for the Guard and Reserve, in light of the war that's going to go on for a very long time in Iraq, that I believe is just one battlefront on this war. You could not win the war, and maintain our national security, without the Guard and Reserves. It's long overdue that we've looked at changing the benefits. The Guard Commission has been formed, and they've made recommendations. But Senator Chambliss's idea of lowering the retirement age, based on participation by the Guard member and reservist, is a great idea, and we need to embrace it as a Congress.

It's been 5 years since the attacks on September the 11th. We have an All-Volunteer Force. There's 1,600 citizens of South Carolina in the 218th Brigade Combat Team, Army National Guard, going off to Afghanistan. I was in Iraq recently, and there's a lot of South Carolina roots in our military, both civilian and military members serving. Every State has been touched. The Guard and Reserve are indispensable. But the active duty families have gone through very difficult times, multiple deployments, no end in sight, and this is the opportunity for this country—I'm always asked, What can we do? What can we do? How can we help the military? Well, today is about finding out what we can do better than we're already doing. If it takes more money, so be it. This is the best investment America will ever make. Keeping families intact and safe and secure while their loved ones are off on the battlefield, that's the least we can do, and I am committed, working with my colleagues, to make sure we do it in a way that will make America proud.

Thank you very much, Mr. Chairman.

Senator BEN NELSON. Well, thank you, Senator Graham.

Senator Inhofe, do you have an opening statement?

Senator INHOFE. Yes, just very brief.

What Senator Graham said, I agree with. We have that commitment to the quality of life. I chaired the Readiness and Management Support Subcommittee, with Senator Akaka, back in a previous life when we were in the majority. So, we've been living with these issues for a long time.

The personnel issues, the quality-of-life issues, are, in fact, readiness issues and very significant. What I want our witnesses, particularly on the second panel, to address is two things. First of all, in the beginning of this administration, what, 6 years ago, plus, one of the commitments was to do something about eliminating inadequate family housing, in order to revitalize housing. Then, along came September 11, and we had to make up for what we lost back in the 1990s, when we dramatically cut back on our funding. I can remember—they call them sustainment, restoration, and modernization (SRM) accounts now; they used to be real property maintenance (RPM) accounts—they were actually robbing those accounts, not putting roofs on barracks in order to buy enough bullets to train with. So, that's how critical it was, and so, I say—a lot of times, where you have to take the money from is quality-of-life, and we can't afford to do it. But I hope that the second panel will address that, because the funding is going to be very difficult to increase funding there, because everything else is bleeding at the same time—our modernization program, our force strength, and other accounts that have to be funded.

So, it's a difficult task, and I think all of us—all five of us—realize how important quality-of-life is to sustain this force that we have.

Thank you, Mr. Chairman.

Senator BEN NELSON. Thank you, Senator Inhofe.

Our first witness today has already been introduced, but not sufficiently. Senator Chambliss has special status here today, because he's a member of both the Personnel and the Readiness and Man-

agement Support Subcommittees. As I mentioned, at one time he chaired the Personnel Subcommittee.

In fact, I understand that, in June 2003, he actually chaired a hearing on family issues, very similar to this hearing, except that that hearing was held at Warner Robins Air Force Base in Georgia.

So, Senator Chambliss, we're glad to have you here as a witness, and we're very anxious to learn about your legislation.

Senator CHAMBLISS. Chairman Nelson, thank you very much for that generous introduction there.

I'm just very pleased to be here on the same dais today with these other two panels, particularly this third panel. All of us who serve on the Armed Services Committee know and understand that the commitment by individuals who join the military is a family commitment, and certainly these spouses here are military heroes, just like their husbands. So, I'm very pleased to have the opportunity just to be in their presence.

Ladies, thank you all very much for what you do for America.

Chairman Nelson, Chairman Akaka, Senator Ensign, Senator Graham, and Senator Inhofe, I do remember our days on the Personnel Subcommittee together. Ben, you were a great ally, and we got a lot accomplished back then, and you're doing a terrific job in starting out in the right direction here as the new chairman. Danny, congratulations to you, also. As a member of the Readiness and Management Support Subcommittee, I have significant interest, parochially and otherwise, in readiness issues. So, you've been a great ally, and I certainly look forward to working with you.

I am here today to talk about my bill, which is S. 648, the National Guard and Reserve Retirement Modernization Act. The retirement benefit for members of the Reserve components is a readiness issue, and it is a family issue, and it's appropriate that we discuss this issue today at this joint hearing.

During the Cold War and up until 1989, the Reserve components were activated for an average of approximately 1 million man-days per year. This represented the steady state for our reservists, who contributed primarily through weekend and 2-week drills, with occasional longer deployments in support of operational missions.

During the 1990s, the Reserve components were activated for an average of 13 million man-days a year. This increase reflected President Clinton's focus on global peacekeeping and peace enforcement in places like Bosnia and Haiti, but also Operations Northern and Southern Watch, patrolling the no-fly zones in Iraq. The Air Force, in particular, was taxed during this time, and began, during that time, to transition from a strategic to an operational Reserve Force.

In his statement before this committee on March 28, 2007, Under Secretary of Defense for Personnel and Readiness, Dr. David Chu, stated, "Since September 11, 2001, an annual average of about 60 million duty days have been performed by Reserve component members, the equivalent of adding over 164,000 personnel to the Active strength each year. This represents almost a fivefold increase since the 1990s, and a 6,000-percent increase since the end of the Cold War. Almost 565,000 Reserve component members have served in support of the current contingency since September 11, 2001."

DOD's decision to increase the Active Force in the Army and Marine Corps might relieve some of this stress on the Guard and Reserve; however, no one, including myself, believes that the way we use our Guard and Reserve Forces is going to return to anywhere close to its previous levels.

In fact, yesterday, General Barry McCaffrey testified that we cannot view our Reserve Forces as an alternative force that is not engaged in operational missions, as we did in the past. They are part of the fight, and, according to General McCaffrey, will likely grow to 20 to 30 percent of our deployed combat forces over the long term.

Individuals who sign up to join the Guard and Reserve today do so knowing that they are going to combat. They sign up expecting that their Reserve assignments will call them away from their home for significant periods of time. That was not true 15, nor even 5, years ago. It is a testament to the quality of people in our Nation, and to the leadership of the DOD, that, generally speaking, the military has done an admirable job of managing, recruiting, and retention in the Reserve component since the beginning of the global war on terrorism. However, I believe the Reserve components will be operating in an extremely challenging recruiting and retention environment from now on. I believe that it is going to get harder and harder to recruit and retain the necessary personnel that our Nation requires in the National Guard and Reserve.

As recent studies on this issue have articulated, the long-term effects on the increased deployments and utilization will have on Guard and Reserve recruiting and retention are almost completely unknown. But I would wager that the effect will be a significant increase in the difficulty of attracting new recruits, as well as an increase in retaining mid-career personnel over the long haul.

Given these factors, it would be shortsighted and irresponsible for us not to plan ahead. Several defense experts have testified, before the full committee, that we must use every tool at our disposal to recruit and retain the troops we need to defend our Nation. Now is the time to do that, not several years from now, when we are trying to fix a problem that could have been fixed if we had been proactive when we should have been.

Conceptually, the nature of the Reserve retirement benefit is based on at least two factors:

The first factor is, what is the adequate compensation, in terms of a financial annuity and nonfinancial benefits, for those servicemembers who have successfully completed 20 years of service in the Reserve component? This is basically a question of, what is fair, given the role we have asked these personnel to play, and the role they have carried out in service to our Nation?

The second factor is, what kind of benefit will effectively shape the Reserve Force in a way that allows us to meet the requirements we have placed on the Reserve components without creating any unintended side effects, such as negatively affecting the makeup of the Active-Duty Force? This is a pragmatic question that is based largely on what we want the force to look like, and who and what kind of people we want to retain.

In this new world of an operational, versus a strategic, Reserve, the answer to both of these questions has changed. That is why we

need to modernize the retirement for National Guard and Reserve personnel.

First, and as I stated earlier, the rate at which our Nation is using members of the Guard and Reserve has not increased linearly over the last 15 years, it has increased exponentially. The role of the Guard and Reserve has fundamentally changed, and what constitutes a fair compensation should fundamentally change as a result.

Second, the Guard and Reserve Force structure is clearly being shaped by our servicemembers' response to deployments and the risk of deployments. When deciding whether to stay in the Reserve component or not, servicemembers are asking a different set of questions, such as: "Will I be deployed? How often will I be deployed? For how long will I be deployed?" Members of the Guard and Reserve serve voluntarily, but they expect compensation for their service, and they expect compensation that takes into account the disruption in their personal and professional lives. As this disruption grows, which it has, the compensation should grow, as well.

Some studies have indicated that the most effective tool to attract and retain personnel, particularly more junior personnel, is through cash bonuses. In fact, these bonuses have been effective in recent years in helping the Services meet their recruiting and retention goals. I support continuing cash payments to these folks in order to sign them up, as well as to retain them.

However, in terms of a long-term strategy that is good for our military and good for our country, I have fundamental problems with this approach. Cash bonuses can motivate behavior. However, I would much rather motivate behavior over the long term by providing an early retirement benefit based on continuous service and deployments than motivate it by appealing to someone's impulses.

In my mind, a deferred benefit that incentivizes participation and retention over the long term and rewards personnel for extended separations from their jobs and family is the right approach. This will have the added benefit of retaining the people who we truly need to retain, and that is mid-career experienced personnel who have been deployed and whose experience we need to keep in the Guard and Reserve. The people who, in all likelihood, have competing demands on their life, without an additional incentive, will leave the service.

Currently, National Guard and Reserve members are the only Federal retirees—and I emphasize this—they are the only Federal retirees who must wait until age 60 to collect retirement pay. My bill would reduce the age for receipt of retirement pay by 3 months for every 90 days a Guard or Reserve member spends on Active Duty in support of a contingency operation or on Active Duty for purposes of responding to a national emergency. The maximum age reduction would be down to age 50, and the adjustment would include volunteers, as well as those involuntarily activated. The bill would include any duty performed since September 11, 2001.

As you can see, this is a targeted benefit which rewards those who have served for significant periods in support of a contingency operation. It is not a handout to members of the Guard and Reserve for simply showing up.

Soon after he was sworn in as Secretary of Defense, Secretary Gates announced that he would mobilize Guard and Reserve personnel as units, rather than individuals, and that it would be the Department's policy to not mobilize them for more than 2 consecutive years, rather than 2 cumulative years, as the policy had been under Secretary Rumsfeld.

In light of this fundamental change in policy, we don't really know—and, more importantly, reservists, themselves, don't really know—how often they're going to be used. This uncertainty will clearly have an effect on both recruiting and retention, something my bill aims to address.

There is an additional reason why an enhanced retirement benefit is the right approach, and that is because the Guard and Reserve members who we are mobilizing are sacrificing their civilian careers, including their retirement benefit, by being called away from their civilian jobs. I believe that, in large part, employers are understanding and supportive of Guard and Reserve members. But, nevertheless, for a Reserve member who spends significant time away from his or her civilian job, that job is going to be affected. The right compensation for that effect is an improvement in the Reserve retirement benefit to offset the long-term effect on a servicemember's civilian career.

The largest source of recruits for the Reserve components has historically been people leaving Active Duty. However, given the current role of the Reserve components, many personnel leaving Active Duty are going to choose not to affiliate with the Guard and Reserve, because they simply stand to be deployed again. My bill addresses this problem by providing an additional incentive in the event a servicemember does get deployed. This is especially essential for older servicemembers, who are not as incentivized by cash bonuses, and are, instead, looking for a longer-term benefit.

For members with significant time in the Active Force, my bill will provide an additional incentive for them to join the Reserve component, and stick with it over the long haul, so our Nation will not lose the benefit of their experience.

One argument I have heard against this bill from DOD, and even from some of my fellow Senators, is that we should not equalize the benefits of the Active and Reserve components. I agree that these benefits should not be equalized. However, I think that any objective observer would, without question, conclude that my bill does not even come close to doing this.

For example, under my bill, a servicemember who completes 20 years of total service, 10 of them in the Reserve, would have to deploy for 5 years to collect a retirement annuity at age 55. The same person who spent 20 years of total service, all in the Active component, could retire as early as age 40, and would receive almost twice the annuity the Reserve member would receive. That is the case for a reservist who is mobilized for 5 years. The average reservist would get a far lesser retirement benefit.

My bill would not equalize the benefits, but would, instead, provide an incentive for prior Active Duty personnel to join the Reserve, and, for current reservists to stick with it until at least the 20-year point.

Gentlemen, I would have to tell you since we have been actively promoting this, I cannot go anywhere, either inside of Georgia or outside of Georgia, that a member of the Guard and Reserve does not come up to me, introduce themselves, and say, "I know what you're trying to do to help out our Guard and Reserve from an early retirement standpoint. I'm in the Guard or Reserve, and it is the number-one issue for me and my family."

Mr. Chairman, the topic of today's joint Subcommittee hearing is the readiness impact of quality-of-life and family support programs to assist families of Active Duty, National Guard, and Reserve military personnel. In the end, we are here today to determine how we can best support our military personnel and their families. That is what my bill does. An improved retirement benefit for the National Guard and Reserve will produce a higher quality-of-life, leading to better recruiting and retention trends, and a better-shaped Guard and Reserve Force.

Cash bonuses can be effective, and they are effective, but they are not the way to provide a better quality-of-life over the long term for our Reserve component personnel who, today, are sacrificing their civilian careers, and the benefits they accrue through those careers, for the sake of our Nation. This legislation represents the right approach at the right time.

The Naval Reserve Association, the Reserve Enlisted Association, the Reserve Officers Association, and the National Guard Association of the United States have all extended support for this bill. For the record, Mr. Chairman, I would like to include a copy of a letter signed by the 33 members of the Military Coalition in support my bill.

Senator BEN NELSON. Without objection.

[The information referred to follows:]

THE MILITARY COALITION
201 North Washington Street
Alexandria, Virginia 22314
(703) 838-8113

March 28, 2007

The Honorable Saxby Chambliss
United States Senate
Washington, D.C. 20510

Dear Senator Chambliss:

The Military Coalition (TMC), a consortium of uniformed services and veterans associations representing more than 5.5 million current and former servicemembers and their families and survivors, is writing in support of S. 648, the National Guard and Reserve Retirement Modernization Act, a bill to address the need to upgrade the reserve retirement system to match the nation's operational reserve policy.

This legislation will provide for greatly needed improvements to an outdated Guard and Reserve retirement system built for the Cold War and a "strategic reserve" environment. Today, the Reserve Components are an operational force that is essential to every national security mission at home and overseas. Our Nation is asking these service members and their families to make enormous sacrifices under the new policy and to be absent from civilian employment one-year in every five or six years. Many Guard and Reserve service men and women have already served two or more tours, far more than DoD's planning metric. The demands on our Guard and Reserve and their families increase daily. It is time to change an outmoded reserve retirement system.

Your legislation recognizes that today's operational reservists must forego substantial opportunities to advance their civilian careers and to build a reasonable civilian retirement because of their required military duty. To offset inevitable economic losses and to create incentives for continued service for a full career in the Guard and Reserve, the reserve retirement system must be modernized. An important first step is S. 648.

S. 648 would reduce the minimum age for retirement by three months for each three months served on active duty for a contingency operation and for related emergency duty. For those who continue to serve to protect the homeland and to fight the Global War on Terror, this bill makes sense and is critical to sustaining the all-volunteer Guard and Reserve in the operational reserve environment.

The Military Coalition appreciates your introduction of this legislation. Your bill is a very positive step in helping sustain the Guard and Reserve as full partners in our operating forces. TMC strongly supports S. 648, and pledges to work with you and all of Congress to secure its enactment.

Sincerely,

The Military Coalition
(signatures enclosed)

Air Force Association

Air Force Sergeants Association

Air Force Women Officers Associated

American Logistics Association

AMVETS (American Veterans)

Army Aviation Assn. of America

Assn. of Military Surgeons of the United States

Assn. of the US Army

Commissioned Officers Assn. of the US Public Health Service, Inc

CWO & WO Assn. US Coast Guard

Enlisted Association of the National Guard of the US

Fleet Reserve Assn.

Gold Star Wives of America, Inc.

Jewish War Veterans of the USA

Marine Corps League

Marine Corps Reserve Association

Military Officers Assn. of America

Military Order of the Purple Heart

National Association for Uniformed Services

National Military Family Assn.

National Order of Battlefield Commissions

Naval Enlisted Reserve Assn.

Naval Reserve Assn.

Non Commissioned Officers Assn. of the United States of America

Reserve Enlisted Assn. of the US

Reserve Officers Assn.

Society of Medical Consultants to the Armed Forces

The Military Chaplains Assn. of the USA

The Retired Enlisted Assn.

USCG Chief Petty Officers Assn.

US Army Warrant Officers Assn.

Veterans of Foreign Wars of the US

Veterans' Widows International Network, Inc.

Senator CHAMBLISS. Mr. Chairman, thank you for the opportunity to testify. I'm happy to answer any questions that you or any member of the committee might have.

Senator BEN NELSON. Thank you, Senator Chambliss.

Do any of the members of the committee have any questions? [No response.]

I think you've laid it out very well. I think we fully understand it and appreciate very much your leadership in this area. Thank you for your kind comments, and we appreciate your being here with us today.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Senator BEN NELSON. In Senator Ensign's absence, due to a prior obligation, without objection I'm adding his questions to be submitted for the record.

Now, let's see, the second panel will be coming forward now.

Today, we have witnesses from the DOD and from the military Services to describe the programs that are available for military families. We welcome the Honorable Mike Dominguez. Am I close? Dominguez?

Mr. DOMINGUEZ. Dominguez.

Senator BEN NELSON. That's it, Dominguez, the Principal Deputy Under Secretary of Defense for Personnel and Readiness; Dr. Lynda Davis, Deputy Assistant Secretary of the Navy for Military Personnel Policy; John McLaurin, Deputy Assistant Secretary of the Army for Human Resources; and Lieutenant General Roger Brady, Deputy Chief of Staff of the Air Force for Manpower and Personnel.

We have your prepared statements, which will be included in the record, and what we would like is if you would take the opportunity to make a brief opening statement, then we will go to the questions.

Secretary Dominguez?

STATEMENT OF HON. MICHAEL L. DOMINGUEZ, PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS

Mr. DOMINGUEZ. Chairman Nelson and Chairman Akaka, I thank you and the distinguished members of the subcommittees. Thank you for the opportunity to meet with you today and discuss the programs we have to support military families.

I want to start first with some current events.

Earlier today, I held a press conference announcing Secretary Gates' decisions on the awarding of administrative absence to members of the Armed Forces that are deployed or mobilized in advance of the 1-year for Active service, "1 year deployed and 2 years back home" standard; and, for the Guard and Reserve, it was the standard he set of 1 year mobilized for every 5 years back home. So, he committed to doing a program to recognize people when he was forced, through national security demands, to break that contract. I announced that today, and I had given a heads-up to your staff that that was happening.

The second is that, as Senator Chambliss recognized, we have a recent decision to extend Active Duty Army deployments in Iraq and Afghanistan to 15 months. The thing that did for military families, though, is provide predictability. Predictability's important to our servicemembers, and this decision provides that planning stability for our families.

Next, we are fully investigating the care provided to our wounded, including the component of that care that is outreach and support for their family members. We're taking measures to correct problems, as we identify them. We are working with and supporting the reviews to the presidential commission, Secretary Gates's independent review group, Secretary Nicholson's task force, and General Scott's Veteran's Disability Commission.

Now, that's the summary of current events. I just wanted to get you up to date on those.

The Social Compact, which we published in 2002 and modernized in 2004, describes the array of programs we have in place to support the men and women in uniform and their families. DOD has worked aggressively to transform services to families facing the challenges of war. We understand how hard it is for military families to cope with the high pace of deployments and extensions.

Communications between troops and families back home have been made more affordable and more available.

Military OneSource is an incredible toll-free and Internet resource that offers both troops and family members the option of speaking to a qualified counselor or consultant, 24 by 7, from any location in the world. It is a portal, providing access to a vast array of useful information, tools, and assistance.

We have addressed the stressful effects of repeated deployments and extensions through increased availability of family assistance counseling, to include financial counseling.

For the families back home, we have moved forward with an emergency intervention strategy to address the most pressing childcare needs at locations affected the most by high deployments and rebasing.

Providing the same level of support to the geographically dispersed Guard and Reserve component families as we provide to families living near military installations is challenging. Technology is a part of the solution, as so many military families obtain information over the Internet. Military OneSource has been an enormous support to the Guard and Reserve families.

A joint family readiness program is being implemented, modeled after Minnesota and New Hampshire National Guard programs. Six pilot programs are in progress.

States are forming integrated interservice family assistance committees to facilitate access to information services and resources.

The recently announced extension of current and future tours to 15 months will be hard on families, and we are stepping up the availability of training and counseling support for volunteers to ameliorate that challenge and deal with it.

Much of this has been made possible by your support of the emergency supplemental funding for the war effort. We particularly appreciated the expanded authority to build childcare centers that you have provided in the past.

In the past year, we also fielded special surveys to military spouses, so we could more fully understand the impact of deployments on families. Results indicate that 61 percent of Active Duty spouses, and 75 percent of Reserve component spouses, support their husband or wife staying in the military. These results are encouraging. They're not adequate, but they are encouraging.

The partnership between the American people and the noble warfighters and their families is built on the understanding that families also serve. We appreciate the service and sacrifice of our military families. They sustain our troops on the battlefield.

Before I close, I want you to know that we are in the process of implementing the predatory lending law that you have been so instrumental in establishing. We appreciate your strong support, and it will make a difference to the financial well-being of the force.

Sir, I look forward to your questions.

[The prepared statement of Mr. Dominguez follows:]

PREPARED STATEMENT BY HON. MICHAEL DOMINGUEZ

Mr. Chairman and distinguished members of this subcommittee, thank you for this opportunity to discuss our programs supporting the well-being of military families. Let me begin by addressing issues recently in the news.

CURRENT EVENTS

Last week, Secretary of Defense Gates announced his decision to extend from 12 to 15 months the tours for Active Army soldiers in Central Command. That was a difficult decision for the Secretary as these longer tours will be hard on Army families. While a 15-month tour is an unpleasant prospect, we hope this decision will allow most soldiers a full year at home between deployments and will preclude the need for unplanned tour extensions during a deployment. As a result, Secretary Gates was able to provide a measure of predictability and stability for soldiers and their families.

We are fully investigating the care provided to our wounded, including outreach to and support for families. Earlier this week, we received the report of the Independent Review Group established by Secretary Gates. We appreciate their work and are moving quickly to evaluate their recommendations. We also await the findings of the President's Commission on Care for America's Returning Wounded Warriors, Secretary Nicholson's Interagency Task Force on Returning Global War on Terror Heroes, and the Veterans' Disability Benefits Commission. As these or our own investigations identify areas demanding improvement we will act—and that includes seeking legislation from the Congress, should that be necessary.

Last year, Congress passed legislation to eliminate predatory lending to members of the Armed Forces. Last week, the regulations called for in the law were published in the Federal Register, beginning a 60-day comment period. We are on track to have those regulations in effect by October 1, 2007, as intended by Congress. Elimination of predatory lending will make a big difference to the financial well-being of our young enlisted families. Thank you for your strong support.

FAMILIES: THE HEART AND SOUL OF TROOPS ON THE BATTLEFIELD

This is the sixth year of sustained combat and the resiliency of servicemembers and their families is nothing less than remarkable.

Our military families are the heart and soul of troops on the battlefield and when they call back home they want to hear, "We're doing fine . . . we miss you but we are doing fine." The Department made family support a priority and redesigned and boosted family support in a number of ways to recognize the crucial role families play in supporting servicemembers on the battlefield.

Of paramount importance to those deployed is to know that their families have good support and someone to reach out to while they are away. Without a doubt, families also serve and sacrifice.

WHAT MAKES A DIFFERENCE FOR FAMILIES BACK HOME

Communication with their loved ones:

Military spouses indicate that being able to communicate with their loved one is the number one factor in being able to cope with deployments. Back home, computers and Internet service at base libraries, family support centers, and youth centers ensure families can send and receive e-mails from their loved ones who are deployed. This communication is essential to morale and to our ability to sustain deployments.

In the deployed environment, phone banks with Internet hook ups are readily available in base camps. Free morale calls are also regularly available in theater.

Morale programs include 145 free morale welfare and recreation (MWR)-operated Internet cafes in Iraq and 30 Internet cafes in Afghanistan. Mobile Internet cafes offer Internet Protocol phone service at less than 4 cents per minute. The cost of phone calls is now much reduced through work with telecom companies. Telephone calls once a dollar or more a minute are now down to 19 cents a minute. Our exchanges also provide unofficial telephone service at low international per minute rates for deployed members on land and sea (19 cents in Iraq and Afghanistan and 45 cents aboard ship).

Communication strategy:

In partnership with the military Services, the Department leveraged the power of technology to provide servicemembers and their families with reliable information, as well as someone to talk to 24/7. Our new capability is two pronged. Through our Military Homefront web portal and our toll-free call center and interactive Web site, Military OneSource, we provide credible, confidential support in a convenient and efficient manner. The success of our technological outreach services has been phenomenal.

The cornerstone of our communication strategy is Military OneSource (www.militaryonesource.com or 1–800–342–9647). Military OneSource has quickly become the trusted source of information and assistance for servicemembers and their families. Military OneSource is a referral service that provides information and assistance on a wide range of issues. Topics include parenting, child care, educational services, financial information, and counseling. Individualized assistance is available by telephone, email, or the Internet. Department survey results indicate that one in five servicemembers used Military OneSource in the previous 12 months. The current call volume is almost 1,000 calls per day. In fiscal year 2006, there were on average 125,000 on-line visits per month.

The 2006 Army Family Action Plan Conference designated Military OneSource as the number one program in support of mobilization, deployment, and family readiness. The organization praised Military OneSource as a benchmark program that is not dependent on family geographic location or branch of Service, or component (Active or Reserve) within a Service.

The second part of our communication strategy is Military Homefront, (www.MilitaryHomefront.dod.mil). Our award-winning, "best in government" quality-of-life web portal is a user friendly site that provides easy access to all of the on-line information about the Department's quality-of-life programs. In fiscal year 2006, there were over 25 million hits and 1.5 million visitors.

Two new applications, Military Installations and Plan-My-Move, add a new dimension to the Homefront. For the first time, servicemembers can access the on line Plan-My-Move, interactive moving program that provides tools for budget planning, customized calendars, household goods inventories, and much more. Military Installations provides directions to programs, services and facilities for military bases, National Guard offices, and Department of Veterans Affairs (VA) facilities worldwide. Military Installations allows families to find relocation information tailored to their specific needs, whether they are moving overseas, moving a family member with special needs, moving with children, or seeking employment for a spouse after a move. These programs are part of our commitment to military families, and provide information families need to deal with their mobile military lifestyle. These services can also be accessed through Military OneSource.

Counseling:

Demand for family assistance and military member counseling more than doubled over the last year. The Department is aggressively and very successfully addressing the stressful effects of repeated deployments by increasing availability of family assistance counseling. This short-term, situational, non-medical problem-solving support is designed to help servicemembers and their families cope with normal reactions to stressful situations. All the military Services use this resource that is intended to augment existing military support services during the cycles of deployment and reintegration. Counseling support is available both on and off military installations in the United States and overseas. Up to six sessions of counseling per situation can be requested by individuals and families. The counseling, provided by licensed and credentialed professionals, is confidential and optimally available within a 30-minute drive time of the individual requesting services. Counselors are trained to assist families with life management issues such as reunion expectations, loneliness, stress, long separations, differences after a year apart, effects of deployment on children, loss and grief, and how best to reintegrate into family life. Financial counseling is also available to help with today's complex financial decisions and the added complication of family separations.

Counseling support is designed to be extremely responsive and flexible in order to meet emergent needs. For example, during the recent extensions of the Stryker Brigade at Fort Wainwright and Fort Richardson, AK, the 1st/34 Brigade from the Minnesota Army National Guard, and the Third Brigade of the 10th Mountain Division at Fort Drum, counselors were immediately deployed—at the request of the home station commanders—to support the families.

Counselors are also available to meet returning aircraft when servicemembers arrive at home from deployment. Counselors speak at Family Readiness Support Groups and townhall meetings. Psycho-educational presentations are provided by counselors to help servicemembers and families understand the emotional challenges they may experience during the current high-stress military environment. The counselors also provide support to the Department's summer youth programs, the National Guard Summer Programs, and the National Military Family Association Operation Purple camps. Services are available to children, parents, and staff.

Our families are managing successfully. New research shows that divorce rates are no higher than they were 10 years ago, when demands on the military were less intense. Commitment remains strong from both family members and servicemembers. Still, even resilient warriors and families sometimes need professional assistance to sustain continued deployments. Non-medical counseling is helping young families cope and is often that necessary ounce of prevention that enables them to cope successfully with the challenges of military life.

Child Care:

Military parents rely on child care and youth programs during deployments to help them manage their rigorous work schedules. Upon deployment, the remaining parent becomes a single parent. Forty-two percent of E1–E4 servicemembers reported that managing child care schedules was a moderate to very serious concern during their last deployment. Therefore, having affordable, available child care is an important stress reliever for many families.

In fiscal year 2006, the Department moved forward with the emergency intervention strategy to address the most pressing child care needs at locations affected by high deployments and rebasing. To continue the effort, the Department dedicated $82 million toward the purchase of modular facilities, and to renovation and expansion of existing facilities. This intervention will create approximately 7,000 additional child care spaces in 37 new child care centers and additions/renovations to child care centers at 42 high personnel tempo locations.

Providing child care for the Reserve and Guard presents challenges. Difficulties arise because of many factors; families do not generally receive services from an Active Duty installation and support systems available in the community may not be sufficient when a servicemember deploys. The Department supports the child care needs of Reserve component families through several initiatives to include:

Operation: Military child care is a Department partnership with a national nonprofit organization that helps families/child guardians locate child care at reduced rates in their own communities when they are unable to access child care on military installations.

Operation Military Kids is the Army's collaborative effort with community agencies to support the 'suddenly military' Reserve component children and youth before, during, and after the deployment of a parent or loved one. In fiscal year 2006, more than 29,000 youths in 34 States participated in Operation Military Kids activities.

In 2007, a new Coaching for Young Families initiative will provide 20 full-time positions offering counseling support to families with young children in high deployment areas. Twelve of the 20 consultants will work at National Guard and Reserve component locations.

CHALLENGES OF DEPLOYMENT AND WAR

Extensions of deployments are particularly stressful to families who desire predictability of return and to troops who do not want to disappoint their families. Properly handling notification of military members and families in case of an unplanned deployment extension is essential and every effort is made to notify members and then, expeditiously, families. The speed with which the news media can disseminate information can make it difficult for the chain-of-command to provide the first notification to families of a deployment extension. We are reviewing our processes to ensure that we get news to the families first whenever we can.

Health Care:

We know that everyone who goes to war changes. We also know that families, particularly those who live far away from a military base, may feel alone and worried about their loved ones who are deployed, injured, wounded or sick.

In addition to the TRICARE Prime and TRICARE Standard benefit, TRICARE beneficiaries who need assistance with depression, stress-related illness, chemical dependency, alcohol-abuse problems or other related issues should know that TRICARE offers a wide range of mental-health care services. Access to those services, also known as behavioral health care, is easy and convenient.

To supplement the TRICARE benefit, the military health system added the Mental Health Self-Assessment Program (MHSAP) in 2006. This program provides military families, including National Guard and Reserve families, Web-based, phone-based and in-person screening for common mental-health conditions and customized referrals to appropriate local treatment resources. The program includes screening tools for parents to assess depression and risk for self-injurious behavior in their children. The MHSAP also includes a suicide-prevention program that is available in Department schools. Spanish versions of these screening tools are available.

For families who are visiting a loved one who is severely injured, wounded or sick, the military health system is developing the Family Transition Initiative. Working jointly with the VA, our mission is to improve the transition process for families of seriously injured inpatient servicemembers who are transferring to VA Polytrauma Centers. The Department and VA will recommend a systematic approach to prepare and support patients and families during the transition of inpatient care between the two departments. We are currently conducting an inventory of existing Department and VA family support programs and will base recommendations on the programs that work best.

The Family Transition Initiative is also addressing the communications gaps and addressing such issues as allowing family members to meet staff members from a new facility before transition. We are also addressing the fact that family members may also have health care needs while visiting their loved ones. Family members may not be eligible for TRICARE or VA benefits, and we must ensure their health care needs are met.

The Department and VA will deliver a report to the Health Executive Council with recommendations for the Family Transition Initiative by June 2007.

Casualty Assistance:

The Department takes very seriously its responsibility to provide assistance to families of fallen servicemembers and continues to explore new methods, procedures, and policies to enhance the current level of assistance. Each Service has its own customs, but all see assistance to families of the fallen as a top priority. The Army, Navy, and Marine Corps assign a uniformed member to assist the family, while the Air Force provides assistance through a full time civilian Casualty Assistance Representative and a family liaison officer. The Services have developed programs to provide personal assistance as long as the families desire contact and stand ready to respond whenever a concern arises.

The Department collaborates with the VA, the Social Security Administration (SSA) and multiple non-governmental agencies and family advocacy groups to improve support to families. In March 2006, the Department published "A Survivor's Guide to Benefits, Taking Care of Our Own". It was subsequently updated in June and in November. This guide is on the Military HOMEFRONT Web site, and is always available in its most current version. The guide details the Federal benefits available to families of servicemembers who die on Active Duty, to include coordinated benefit information from the DOD, VA, and SSA.

For Service casualty staff and military widows, the Department created "The Days Ahead, Essential Papers for Families of Fallen servicemembers", a tool designed to assist families in organizing the avalanche of paper work that is necessary as a family applies for and receives Federal benefits as a result of an Active Duty death. Spouses who receive "The Days Ahead" notebook will also receive a print copy of the most recent version of "A Survivor's Guide to Benefits" and another excellent resource, "The Military Widow" by Joanne Steen and Regina Asaro; the first book specifically focused on the unique challenges women face when they become military widows.

Transportation of Fallen Loved Ones:

The Department believes that the return of the remains of our fallen to their families must be handled as expeditiously as possible, with the utmost care, dignity and respect. In the past, when the return of the fallen included air transportation, the primary mode of air transportation was scheduled commercial service. With the enactment of section 562 of the John Warner National Defense Authorization Act for Fiscal Year 2007, effective 1 January 2007, dedicated military or military-contracted aircraft is the primary mode of air transportation of remains that are returned to the United States from a combat theater of operations through the mortuary facility

at Dover Air Force Base (AFB). Commercial air may only be authorized at the request of the person designated to direct disposition. The Department has recently expanded this provision to include transportation for all personnel who die of their wounds or injuries sustained in a combat theater of operations regardless of whether the remains are processed through Dover AFB.

A member of the Armed Forces, in an equal or higher grade, escorts the fallen servicemember's remains continuously until arrival at the applicable destination. At the arrival airfield, an honor guard detail is available to render appropriate honors and participate in the off-loading of the flag-draped casket from the aircraft to awaiting ground transportation for onward movement to the funeral home or cemetery.

Since families still sometimes choose the use of commercial air, the Department continues to work with the commercial airline industry to ensure that all actions are taken to ensure our fallen are handled with the highest level of respect. The airline industry responded to this request for support in a very positive way. Examples include: seat upgrades for escorts for easy exit to perform their duties, airplane access for honor guards to participate in the off-loading of the flag-draped casket from the aircraft, coordinated access to the airport tarmac for the escort, honor guard details, family members, the funeral home hearse, and in many cases community based support groups wishing to show their respect and participate in the arrival of a local hero. When such access to the airplane or tarmac has not been possible because of security or safety requirements, several airlines responded by producing transport carts dedicated specifically for the movement of servicemember remains.

Recently, the Department initiated an "Honor Cover" for the standard air tray required in the transport of caskets. The honor cover has a rendering of the American flag on the top and the Department's seal on each end. This cover provides greater visibility and conveys the appropriate level of respect to the fallen while in transit.

Expedited Citizenship:

Gaining citizenship for a non-U.S. servicemember is not only a satisfying, and often a life-long goal for that individual—it also provides a stepping stone for members of the family to become citizens, an opportunity that will benefit generations to come. For those who serve their country, obtaining citizenship should be achievable in a reasonable amount of time. The Department works closely with the Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS) to expedite citizenship applications for non-U.S. citizens who serve honorably in our Armed Forces. USCIS established an office in 2002, dedicated to work all military citizenship applications. Since September 11, 2001, nearly 32,000 servicemembers have obtained citizenship as of March 19, 2007, and the average processing time has been reduced from 9 months to less than 60 days. USCIS has entered into an agreement with the FBI to permit the use of military member fingerprints provided at the time of enlistment for processing military member citizenship applications. This eliminated the need for servicemembers to travel, in some cases hundreds of miles, to be fingerprinted at a USCIS office and has further reduced citizenship application processing time.

The Department also continues to work closely with USCIS to conduct naturalization interviews and swearing-in ceremonies overseas and onboard ships. As of March 19, 2007, over 3,400 military members have been naturalized at overseas ceremonies conducted since October 1, 2004.

Military Severely Injured Center:

The Department is committed to providing the assistance and support required to meet the challenges that confront our severely injured and wounded servicemembers and their families during the difficult time of transition. Each Service has programs to serve severely wounded from the war: the Army Wounded Warrior Program (AW2), the Navy Safe Harbor program, the Air Force Helping Airmen Recover Together (Palace Hart) program, and the Marine4Life (M4L) Injured Support Program. DOD's Military Severely Injured Center augments the support provided by the Services. It was established in December 2004 and continues to be even more robust today. It reaches beyond the DOD to coordinate with other agencies, to the nonprofit world, and to corporate America.

It serves as a fusion point for four Federal agencies—DOD, the VA, the Department of Homeland Security's Transportation Security Administration, and the Department of Labor.

Federal Partners. The Military Severely Injured Center unites Federal agencies through a common mission: to assist the severely injured and their families.

- The VA Office of Seamless Transition has a full-time liaison assigned to the Center to address VA benefits issues ranging from expediting claims, facilitating VA ratings, connecting servicemembers to local VA offices, and coordinating the transition between the military and the VA systems.
- The Department of Labor (DOL) has assigned three liaisons from its Recovery & Employment Assistance Lifelines (REALifelines) program which offers personalized employment assistance to injured servicemembers to find careers in the field and geographic area of their choice. REALifelines works closely with the VA's Vocational Rehabilitation program to ensure servicemembers have the skills, training, and education required to pursue their desired career field.
- The Department of Homeland Security's Transportation Security Administration has a transportation specialist assigned to the Center to facilitate travel of severely injured members and their families through our Nation's airports. The Center's TSA liaison coordinates with local airport TSA officials to ensure that each member is assisted throughout the airport and given a facilitated (or private) security screening that takes into account the member's individual injuries.

Nonprofit Coordination. The MSI Center has coordinated with over 40 nonprofit organizations, all of which have a mission to assist injured servicemembers and their families. These nonprofits offer assistance in a number of areas from financial to employment to transportation to goods and services. Many are national organizations, but some are local, serving service men and women in a specific region or at a specific Military Treatment Facility. Some of the many organizations that are providing assistance are the Wounded Warrior Project, the Injured Marine Semper Fi Fund, the VFW, the American Legion, Disabled American Veterans, the Coalition to Salute America's Heroes, and, of course, the Service Relief Societies. There are hundreds of other nonprofits who offer assistance to military families in general that are part of the America Supports You network (www.americasupportsyou.mil).

Operation Warfighter:

The Department sponsors Operation Warfighter (OWF), a temporary assignment or internship program for servicemembers who are convalescing at military treatment facilities in the National Capital Region. This program is designed to provide recuperating servicemembers with meaningful activity outside of the hospital environment that assists in their wellness and offers a formal means of transition back to the military or civilian workforce. The program's goal is to match servicemembers with opportunities that consider their interests and utilize both their military and non-military skills, thereby creating productive assignments that are beneficial to the recuperation of the servicemember and their views of the future. Servicemembers must be medically cleared to participate in OWF, and work schedules need to be flexible and considerate of the candidate's medical appointments. Under no circumstance will any OWF assignment interfere with a servicemember's medical treatment or adversely affect the well-being and recuperation of OWF participants.

In 2006, 140 participants were successfully placed in OWF. Through this program, these servicemembers were able to build their resumes, explore employment interests, develop job skills, and gain valuable Federal Government work experience to help prepare them for the future. The 80 Federal agencies and subcomponents acting as employers in the program were able to benefit from the considerable talent and dedication of these recuperating servicemembers. Approximately 20 permanent job placements resulted from OWF assignments upon the servicemember's medical retirement and separation from military service.

The core of OWF is not about employment, however; placing servicemembers in supportive work settings that positively assist their recuperation is the underlying purpose of the program. The Department works very closely with DOL's REALifelines program in this effort.

Heroes to Hometowns:

The American public's strong support for our troops shows especially in their willingness to help servicemembers who are severely injured in the war and their ever-supportive families, as they transition from the hospital environment and return to civilian life. Heroes to Hometowns' focus is on reintegration back home, with networks established at the national and State levels to better identify the extraordinary needs of returning families before they return home. They work with local communities to coordinate government and non-government resources necessary for long term success.

The Department has partnered with the National Guard Bureau and the American Legion, and most recently the National Association of State Directors of Vet-

erans Affairs, to tap into their national, State, and local support systems to provide essential links to government, corporate, and nonprofit resources at all levels and to garner community support. Support has included help with paying the bills, adapting homes, finding jobs, arranging welcome home celebrations, help working through bureaucracy, holiday dinners, entertainment options, mentoring, and very importantly, hometown support.

Many private and nonprofit organizations have set their primary mission to be support of severely injured veterans. One example, the Sentinels of Freedom in San Ramon, California recruits qualifying severely injured to their community with "scholarships" that include free housing for 4 years, an adaptive vehicle, a career enhancing job, educational opportunities, and comprehensive community mentoring. Through a coordinated effort among local governments, corporations, businesses, nonprofits, and the general public, six scholarships have already been provided in the San Ramon Valley and in March, Sentinels of Freedom announced plans to expand the program nationwide.

The ability of injured servicemembers to engage in recreational activities is a very important component of recovery. We continue to work with the United States Paralympics Committee and other organizations so that our severely injured have opportunities to participate in adaptive sports programs, whether those are skiing, running, hiking, horseback riding, rafting, or kayaking. We are also mindful of the need to ensure installation Morale Welfare and Recreation (MWR) fitness and sports programs can accommodate the recreational needs of our severely injured servicemembers. At congressional request, we are studying the current capabilities of MWR programs to provide access and accommodate eligible disabled personnel.

National Guard and Reserve Family Support:

Families who previously had limited exposure to military systems now must deal with the likelihood of multiple and longer deployments for the servicemember. This past year has seen a maturing of existing programs, new initiatives, and integrated support systems to respond to the special needs of families, especially National Guard and Reserve families located significant distances away from military installations. Connecting Reserve Component families with the services they need presents a particular challenge. Whether those services are family support, child care or transition assistance (including assistance for the severely injured), the Department is bridging the gap between services provided for Active Duty members and Guard and Reserve.

Per direction in the National Defense Authorization Act for Fiscal Year 2007, the Department is designing a regional joint family support model. Two critical components of the model involve building coalitions and connecting Federal, State, and local resources and nonprofit organizations to support Guard and Reserve families. Best practices and lessons learned from 22 Inter-Service Family Assistance Committees and the Joint Service Family Support Network will guide the planning process. Minnesota's, "Beyond the Yellow Ribbon" reintegration program, researched by the University of Minnesota, will serve as a model with a funded Community Reintegration Coordinator position. Hawaii and Oregon have volunteered to be models. These are States where we can build onto a successful infrastructure to deliver a wide range of family assistance to expand our reach to the Guard and Reserve. We appreciate the opportunity to bridge the gaps and augment existing programs, and thank Congress for recognizing this need.

THE BACKBONE OF MILITARY COMMUNITY AND FAMILY SUPPORT

Quality of life programs for servicemembers' and their families' lives have made great strides during the past few years. The Department recognizes that military members have difficult, complicated jobs to do under extremely arduous conditions. We continue to explore ways to improve programs in support of quality of life. Any or a combination of the following initiatives could raise the quality of life for military families and, therefore, affect readiness, recruiting, and retention.

Financial Readiness:

The Department considers the personal financial stability of servicemembers and their families a significant factor in Military preparedness—financial stability equates to mission readiness. As such, financial readiness remains a top priority for the Department and we are aggressively promoting a culture within the military that values financial competency and responsible financial behavior. The Department's Financial Readiness Campaign encourages servicemembers to achieve good credit, save on a regular basis, obtain good interest rates on loans, and take advantage of the opportunity to participate in the Thrift Savings Plan (TSP) and the servicemembers' and Veterans' Group Life Insurance (SGLI).

The Financial Readiness Campaign includes partnerships with other Federal, corporate, and non-governmental organizations to support both military members and their families on how to manage their finances. Key techniques include proactive and preventive measures: encouraging savings and reducing debt. We know that being free of credit card debt is a goal for 79 percent of military spouses who must often hold the financial reins of the family during deployment. However, while trends in the past couple of years show more servicemembers are able to save and fewer are having financial problems, a third of E1s–E4s still indicate that they have financial problems. It is important that we continue efforts to provide access to cost-effective financial readiness tools and products, and protect members from predatory lenders that can place servicemembers in a dangerous and sometimes unrecoverable spiral of debt. For example, 10 percent of E1s–E4s reported they obtained a payday loan in the past year. As we have seen, the personal and professional stressors of poor financial management can dramatically affect family quality of life, and ultimately, our mission readiness.

Education is our first line of defense. In 2006, the Services provided more than 11,800 financial management classes at their installations around the world and trained more than 324,000 servicemembers (approximately 24 percent of the force), as well as 19,400 family members. Our campaign partner organizations, such as those represented by our on-installation banks and credit unions, conducted an additional 1,300 classes, serving a total of 60,600 servicemembers and their families. These classes help equip our men and women with the necessary tools to achieve financial freedom and avoid the financial traps that befall many of their contemporaries outside of the military.

Our 23 financial readiness partners are invaluable in providing both education and counseling to our servicemembers and families and in offering affordable, easily accessible financial products. The following highlights some of this organizational support:

- The Financial Literacy and Education Commission provides educational and training materials through the Web site www.mymoney.gov. The commission also supports a toll-free number and consolidates education and training materials available through the Federal agencies that have been widely advertised and linked to the Department's and military service Web sites.
- The InCharge Institute provides access to credit counseling/debt management, and publishes a quarterly magazine called Military Money in partnership with the National Military Family Association.
- The National Association of Securities Dealers Foundation has funded a multi-year awareness and education program to supplement programs provided by the military services. Included are multimedia public service announcements through sources such as Armed Forces Radio and Television Services, Service command information publications, magazines and radio; an interactive Web site—www.saveandinvest.org; sponsorship of a scholarship program for military spouses through partnership with the National Military Families Association to accredit them as 'financial counselors' in return for volunteer hours in military communities; and education for military service financial counselors and educators.
- Our military relief societies, of course, continue to provide outstanding educational materials and counseling, as well as financial assistance when our servicemembers are in need.

As we push our campaign into 2007, the Department provides free Federal and State on-line tax preparation and filing through Military OneSource for all members regardless of component or activation status. This service includes free telephonic access to trained financial professionals who can answer many of the tax questions that our servicemembers and families may have. The Department encourages servicemembers and their families to use the Military OneSource free tax preparation service and to add any refunds to a savings account.

The Department sponsored "Military Saves" week in February, in conjunction with the Consumer Federation of America's nationwide "America Saves" campaign. This is an intense week of training and encouragement for our military members and families to start reducing their debt and saving for their future. Members can set a savings goal by registering on www.militarysaves.org.

Domestic Violence:

Domestic violence statistics are slightly lower than last year. The Department remains steadfast in its commitment to strengthen its response to domestic violence and continues to make substantial efforts to improve training of key staff. During the past year, we conducted six domestic violence training conferences, three of

which were offered to joint gatherings of commanding officers, Judge Advocates, law enforcement personnel, and victim advocates. These conferences addressed each group's responsibilities in responding to domestic violence in accordance with new domestic violence policies issued by the Department.

We continue implementation of the restricted reporting policy for incidents of domestic violence. This policy offers victims the option of seeking medical and victim advocacy assistance without making a report to the victim or abuser's commander or law enforcement. This confidential assistance is crucial for victims who may be concerned about their safety, the military career of the family-member offender, or the family's financial welfare. The Department continues to expand its victim advocacy program, which provides access to on-call victim advocates and shelters to assist victims of domestic violence.

During the past year we also launched a Web based domestic violence training curriculum for commanding officers that addresses their responsibilities when responding to incidents of domestic violence. Commanding officers may now log-on anywhere in the world and receive training on responding to domestic violence.

In partnership with the Family Violence Prevention Fund, we developed and launched a national public awareness campaign to prevent domestic violence. The campaign is designed as a prevention message to educate Service men and women and their families about domestic violence and increase awareness of domestic violence prevention resources.

In partnership with the Office on Violence Against Women of the Department of Justice, we have continued several joint initiatives, including training for victim advocates and law enforcement personnel. Additionally, we are conducting domestic violence coordinated community response demonstration projects in two communities near large military installations. The goal of the projects is to develop a coordinated community response to domestic violence focusing on enhancing victim services and developing special law enforcement and prosecution units. Finally, we are participating in the President's Family Justice Center Initiative. The initiative provides funding through the Office on Violence Against Women for 15 centers in select communities nation-wide. The Department partnered with four centers near military installations to address domestic violence.

Military Children's Education:

The Department shares a vested interest in quality elementary and secondary education for military children along with our partners in State and local education systems. One of the major factors in sustaining the All-Volunteer Force is providing quality educational experiences for military children.

The Department's schools have high expectations for the over 91,000 students enrolled in our 208 schools located in 12 countries, 7 States, and 2 territories. The Department's worldwide school system serves as a model education system for the Nation and is without question a "career satisfier" and high priority for servicemembers and families. The Department's students are among the highest performing in the Nation as measured by norm-reference assessments like the TerraNova and the Nation's report card, the National Assessment of Education Progress. Our students consistently score above the national average at every grade level and in every subject area. A key ingredient to this success is the partnership that exists among schools, parents, and military commands that focus on superior student achievement. Department schools are also leading the Nation in closing the achievement gap between white and non-white students. Diversity is one of the strengths of the system. African-American and Hispanic students in DODEA schools consistently outperform their counterparts in the 50 States in reading and math.

The Department's school system has responded to the President's National Security Language Initiative, which promotes the study of critical need languages in grades K–12. The DODEA has launched a foreign language program that will initially introduce strategic foreign languages (e.g., Mandarin Chinese) to selected elementary and secondary schools in the DODEA system.

Public Law 109–364 recently directed the Department to ease the transition of military students from attendance at DOD schools to attendance in schools of local educational agencies (LEAs). DODEA will share their expertise and experience in developing rigorous and successful academic programs, curriculum development, teacher professional development, and distance learning technology capabilities with stateside school districts impacted by base closures, global rebasing, and force restructuring. The Department identified 17 communities in 14 States that will experience a large number of students transitioning into their schools because of large scale relocation and rebasing. DODEA has begun building partnerships with affected stateside school systems to assist them in developing instructional programs similar to those in the DODEA schools. The ultimate goal of the program is to en-

sure that a high quality educational program is provided to all military dependents living both inside and outside the gates of military installations.

As an initial step in sharing best practices with LEAs, the Department sponsored a Conference on Education for Military-Connected Communities, which brought together teams comprised of military, civilian, school and business leaders from the 17 communities that will experience an increase in military dependent students due to the large scale rebasing effort. Over 200 participants heard from experts who provided participants with a list of resources for their communities to using during transition.

The Department is also sharing information on the unique characteristics of military dependent students with military and community leaders, military parents and school superintendents who work with these students. To communicate effectively with military parents, teachers, and students, the Department has included helpful information on our Web site: www.militarystudent.org about the impact of deployments on children, resources to assist in separations and transitions, and best practices in quality education. A toolkit was developed by a joint service task group and disseminated on compact discs and the Web site to help families, military commanders and school leaders understand education options and help schools provide a smooth transition for military dependent students.

Along with toolkits and outreach through DODEA, the Department is making the Johns Hopkins Military Child Initiative (MCI) available to military-connected communities and LEAs. The John Hopkins Center for Schools Impacted by Children of the Military focuses on meeting the needs of children and youth least likely to feel connected to school (i.e., children of military families who live in highly mobile circumstances). Their approach is being shared with impacted schools and military parents to improve student success, school/family/community partnerships and student engagement.

Family Members with Special Needs:

The Exceptional Family Member Program has operated for over 20 years to ensure that the needs of family members who have specialized medical requirements or who require special education are considered during the assignment process. The EFMP identifies family members who have specialized medical or educational needs, and documents their specific requirements (medication, specialty care, special education requirements, physical accommodations). The military health system and the DOD schools coordinate all overseas assignments to ensure that the necessary medical and educational services are available to meet the family members' needs prior to approving overseas travel.

Exceptional Family Member Program managers operate in all Army and Marine Corps family centers to assist military families with special needs. The EFMP managers help families identify and access resources. Additionally, the Army has instituted a new respite care program to mitigate deployment related stress for families with special needs.

The Department has published the DOD Special Needs Parent Toolkit, which is available on-line at the MilitaryHomefront Web site and through Military OneSource. The toolkit provides families with an introduction to services available to them both through the military and through State and local community programs. We have provided a series of Military OneSource webinars aimed at families with special needs that have covered topics such as the Parent Toolkit, record keeping, advocacy, and moving with a special needs child. The MilitaryHomefront publishes a monthly newsletter to families with special needs who have registered for the newsletter. The newsletter provides families with up to date information about programs and services available to them, and about other issues of interest to families with special needs.

Spouse Education and Careers:

Trying to sustain a career while serving the country is a major issue facing military spouses. Nearly half of all spouses report their job or education demands were a problem during their spouse's deployment. Military spouses are not unlike their civilian counterparts as they are major contributors to the family's financial well-being. The majority of the 700,000 military spouses of Active Duty personnel are in the civilian workforce. In the 2006 Survey of Spouses, regardless of their current employment status, 77 percent of spouses report they want and/or need to work to supplement their family income or stay in the career of their choice. The vast majority (83 percent) of spouses report that developing a career is a personal goal. Perhaps, even more important to the Department, research indicates that a military spouse's support for a career in the Armed Forces is a top factor in the retention decision of a married servicemember.

Unfortunately, military spouses are a disenfranchised population as they are generally not included in our Nation's major labor and workforce development opportunities. Frequent relocations result in denial of opportunities ranging from eligibility for in-State tuition and State unemployment compensation to achievement of tenure. For those spouses whose employment requires costly certification and/or licensure requirements, the State-to-State moves are enormously expensive, sometimes with the expense of discontinuing a career. The unemployment rate for military spouses, at 12 percent, is much higher than the national unemployment rate. Further, our research shows that military spouses earn about $3.00 per hour less than their civilian counterparts.

At the same time, military spouses are better educated than their civilian "look-alikes", as seven of ten spouses have some college education. While about 20 percent of spouses are enrolled in post-secondary schools, another 51 percent would like to be in school. However, the overwhelming majority of these spouses, nearly three-fourths, cite the cost of education as the reason they are not in school.

While the Department is committed to helping military spouses pursue rewarding careers and to achieve educational and training goals, we realize that these issues can only be addressed by partnering with the States, the private sector, and other Federal agencies. We are actively working with DOL to ensure military spouses can receive education and training support via Workforce Investment Act funds. Further, we are partnering with DOL and national associations around careers in high-growth industries with mobile and portable careers such as medical transcription, financial services, education, and real estate. The DOD/DOL collaborative Web site (www.milspouse.org) which assists spouses with resume development, locating careers, identifying available training and linking to One Stop Career Centers, continues to be a great resource for our military spouses with almost 7 million Web site hits in fiscal year 2006.

When asked what would have helped them find work after their most recent permanent change of station (PCS) move, approximately a third of those spouses surveyed in the 2006 Survey of Spouses indicated that easier transition of certifications would have helped, and 27 percent indicated that financial help with transferring certifications was lacking. We have identified a range of popular spouse careers that have State-specific licensing requirements and have designed strategies to address them, initially focusing on teaching and real-estate. Six States have now adopted the American Board for Certification of Teacher Excellence (ABCTE), a national passport teaching credential. Spouses with an ABCTE credential will not have to be re-certified in these States, which will result in less unemployment time. The Department also implemented the Spouse-to-Teacher program that supports military spouses in their pursuit of K–12 teaching degrees and positions in public and private schools. We are also working closely with colleges and universities to offer more scholarships, grants, and reduced tuition for servicemembers' spouses.

Re/MAX launched a program, Operation Re/MAX, which provides military spouses the opportunity to achieve a career in the real estate industry. Since August 2006, there have been almost 2,000 inquiries from military spouses and there are over 800 Re/MAX offices offering to hire military spouses.

Our efforts to raise employer awareness through our partnership with military.com, a division of monster.com, have proven to be a great success. Via this Web site portal: www.military.com/spouse, 155,000 military spouses have posted their resumes and conducted over 3 million job searches of Federal and private sector jobs. There are now over 300 spouse-friendly employers who are actively recruiting military spouses for their vacant positions; these organizations can post jobs at no cost and may search this exclusive database for military spouse candidates. Spouses may search public and private sector jobs by military installation locations.

Advisory Groups:

At the OSD level, we take advice and counsel from internal organizations on which military families serve, to include the DODEA advisory councils on dependents education, a commissary council and an exchange council. The Defense Advisory Committee on Women in the Services (DACOWITS), whose charter includes quality of life support and membership includes military spouses, has advised us on such programs as child care services.

At the Services level, the Army Family Action Plan (AFAP) is a well organized grass roots program that has reached down to installation level and brought issues to Army and OSD leadership for the past 25 years. The AFAP process, which is highly prized and respected within the Department, has resulted in numerous legislative and policy changes impacting military families. Both the Army and the Marine Corps have chartered family readiness advisory councils, whose membership is

comprised solely of military spouses and volunteers. These councils assess and recommend solutions for evolving family issues.

Finally, several non-governmental organizations serve to advocate for military families and influence family policies. Prominent among these is the National Military Family Association who has an excellent track record of working with Congress as well as with the Department.

Youth Partnerships:

Last year, eKnowledge Corporation, a leading supplier of interactive test preparation products for college entrance exams, along with a group of patriotic NFL players, donated $6.9 million to pay for multimedia SAT/ACT test preparation products worth $200 to military servicemembers and their families. During 2006, more than 48,000 free SAT/ACT multimedia CD & DVD test preparation programs were donated to servicemembers and their families worldwide. Over the past several months, eKnowledge and the NFL players have received tens of thousands of letters and emails from servicemembers expressing appreciation for the valuable SAT/ACT test preparation projects. Based on the tremendous response from servicemembers and their families, eKnowldege and the participating NFL players announced that they will extend the free SAT/ACT donation program through 2007, with a total financial commitment of $10 million.

It is with great pride that Military Youth programs worldwide can now take advantage of their affiliation with the Boys & Girls Clubs of America by participating in the Major League Baseball ® S.T.A.R. Award program. This MLB award program is designed to recognize youth ages 10 to 18 year-round for their youth sports, fitness, and social recreation achievements. Any youth who demonstrate the four MLB S.T.A.R. Award characteristics: Sportsmanship, Team spirit, Achievement and Responsibility is qualified to be nominated. Whether on the baseball field, at the swimming pool, in the games room or in the dance studio, it is these attributes that help our military youth succeed at anything they do regardless of where they live around the world. Each participating youth program will be allowed to select one outstanding youth who best embodies all four characteristics. That youth will receive a trophy and become eligible for State, regional, and national competition. Later this year, six deserving youth, one from each of BGCA's five regions and an overseas military site representative, will be selected to attend the MLB All-Star Game. One national winner will be invited to the MLB World Series game.

State Liaison Initiatives:

In 2004, the Department of Defense approached the National Governors' Association to request their assistance in supporting those aspects of quality of life for servicemembers and their families that could be influenced best through the actions of State governments. In the past 2 years, the Department has found Governors and State legislators have embraced these opportunities to show their support for servicemembers and their families.

The Department has concentrated discussions on 10 key issues at the State level: (1) assistance to Guard and Reserve members and families, (2) assistance to the severely injured, (3) in-State tuition rates for servicemember and their families, (4) school transition assistance for children of military families, (5) employment assistance for military spouses, (6) unemployment compensation for military spouses, (7) limits on payday lending, (8) absentee voter assistance, (9) growth of foreign language education, and (10) increases in child care assistance for Guard and Reserve families.

Governors and other State policymakers have taken these issues seriously and provided support through State resources. For example, the States are providing over 720 benefits to members and families of the Guard and Reserve—an increase of over 200 benefits since 2004; for example, a total of 30 States (an increase of 9) are providing in-State tuition rates to servicemembers and their families while assigned to a State as a non-resident, and continuing this support for family members enrolled in school if the servicemember is reassigned out of State. Additional information on the progress of the key issues is provided to State policymakers and others at www.USA4MilitaryFamilies.org.

Several Governors have established councils and committees to advise them on establishing initiatives to support the military community within their States. Many Governors have also initiated legislative packages to enhance quality of life for servicemembers and their families on a number of the 10 key issues.

Additionally, the Department is partnering with national associations representing State governments to obtain support. For example, the Department is working with the Council of State Governments to establish an interstate compact designed to assist children of military families with the challenges that come from

frequent transfers between school systems. This compact is designed to ameliorate differences in school systems ranging from differing age requirements to start kindergarten through varying requirements to graduate from high school.

The Department has found its collaboration with Governors and State legislators to be an important aspect to supporting servicemembers and their families who make daily sacrifices to fulfill their commitment to defending the Nation. We anticipate these collaborative relationships will continue to produce important benefits for servicemembers and their families.

Morale Welfare and Recreation (MWR):

MWR programs enhance the social fabric of a military community by providing activities normally found in "hometown communities," such as libraries, fitness centers, bowling, golf, parks, and sports fields. These programs and activities impact the quality of life of our military families each and every day.

Fitness Programs

All of the military Services continue to expand robust fitness programs designed to sustain a physically fit, healthy force. Long term plans are being made to modernize the fitness infrastructure. The Services requested 79 fitness center construction projects between fiscal year 2007 and fiscal year 2013.

Libraries

Virtual resources, such as the Army's General Library Information System, and the Air Force's Learning Resource Centers provide access to academic materials regardless of location.

Five Department recreational libraries will participate in the National Endowment for the Arts (NEA) "Big Read" initiative. The Big Read is a community reading project which began 1 year ago and is expanding to encompass military bases located in close proximity to civilian communities that have already agreed to participate. These communities were provided funding by the NEA for a month long festival in which interested participants are encouraged to read the same novel. Military bases will be provided 100 copies of the selected books for base library circulation.

Exchanges and Commissaries:

The commissary and exchange are among the most valued contributors to the quality of life of our servicemembers and their families. They provide a safe and convenient community hub, particularly in overseas areas.

Commissaries would help military families save over 30 percent on grocery and household necessities, even including the commissary surcharge and commercial sales taxes. The Defense Commissary Agency makes sure that familiar name brands are available for military families at active duty installations around the world. The Department's challenge is to sustain the value of the commissary to our servicemembers without increasing the cost to the tax payer. The Defense Commissary Agency, with oversight by the Commissary Operating Board, is becoming a state-of-the-art retail enterprise and continues to make steady progress toward becoming increasingly efficient and effective at delivering the benefit. Commissary customer satisfaction continues to surpass the supermarket industry. Moving forward, DeCA will pursue new ways to support military families who don't live on or near military installations and explore cooperative efforts with the military exchanges that enhance overall quality of life.

The Armed Service Exchanges provide military families with merchandise and services at a 16 to 20 percent savings, not including sales tax savings, and provide over $300 million to help support morale, welfare and recreation programs. The Exchanges operate on military installations, on board ships, in deployed locations, contingency operations, disaster relief areas, and through catalog and internet shopping. The Exchanges are re-engineering using technology—independently and with each other—to improve value to their customers and to lower operating costs. Moving forward, the exchanges are concentrating on improvements to logistics, systems, and supply chain management, where there are many opportunities for cooperative efforts.

CONCLUSION

The Social Compact, published in 2002 and modernized in 2004, reiterated the compact between the Department of Defense, its warfighters, and those who support them—one that honors their service, understands their needs, and encourages them to make national defense a lifelong career. The array of quality of life programs covered by the Social Compact recognizes the challenges of military life and the sac-

rifices servicemembers and their families make in serving their country. The partnership between the American people and the noble warfighters and their families is built on a tacit agreement that families also serve. Our military families are the heart and soul of our troops on the battlefield. Without a doubt, families also serve and sacrifice.

Senator BEN NELSON. Thank you, Mr. Secretary.

Dr. Davis?

STATEMENT OF LYNDA C. DAVIS, DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR MILITARY PERSONNEL POLICY

Dr. DAVIS. Thank you, Senators.

Chairman Nelson, Chairman Akaka, Senators Graham and Chambliss, thank you for the opportunity to speak with you today on behalf of the Department of the Navy. I'll be speaking to you about the Navy and the Marine Corps, as I have responsibility for oversight of both services, their Active Duty personnel, and the support for their families.

I'd like to mention, also, that I'm speaking as a former soldier who was deployed and had to have the experience of my son and, at that time, my two sons and my spouse react to my deployment, also, as someone who chose to curtail her military career at the point at which we adopted a child, and as someone who's a very proud mother of a member of the Pennsylvania Army National Guard. It's my honor to be here today.

You raised several questions about the effectiveness of our quality-of-life programs, and I'd like to address those, just briefly. But, first of all, I think it's important to discuss something Senator Akaka alluded to, in terms of the community support and what constitutes family support.

We believe, in the Department of the Navy, that support services are important to be delivered before, during, and after deployment, depending on the specific needs of the family, but they're delivered in concentric circles of care. They start at the unit level. That is the level, after all, at which the commander is the most aware of the requirements of the individual sailor, soldier, in our case, or marine, and also at which we have unique special programs, like the Navy Ombudsman Program and the Marine Corps Key Volunteer Programs. Our commanders are very engaged in family support; in fact, extending letters regularly to the family members from Iraq, with a variety of information, including some on predatory lending.

As we move out from this concentric circle of family support beyond the unit, it extends to the installation, and that's where you have the excellent programs through Fleet Family Support Services or the Marine Corps Service Centers. We also draw on the support that's provided through the Navy or the Marine Corps, generally, through things such as our 145 Navy Reserve Centers that are in every single State. Each of your States have one of those centers that serve not only the Navy reservists, who are geographically remote, their families are oftentimes, but it also serves the Marine Corps. We consider them to be purple assets, in that they're available to any servicemember. We certainly see that this concentric circles of support for the family would not be possible without all the assets Mr. Dominguez mentioned, in terms of those directly from the DOD.

Also, we feel that the support is essential to the family from the other Federal agencies, such as the Department of Veterans' Affairs (VA) and Department of Labor, and also from State agencies, such as the State rehabilitative directors, if that becomes necessary during a member's service.

Finally, our partnership in these concentric circles of care, or what I like to allude to as a web of inclusion for the family, can't be achieved without our veterans benefit organizations, our veterans service organizations, and our community-based organizations. So, they are essential for us to provide the full continuum of care to our family members.

Addressing the effectiveness of our quality-of-life programs, we also had a recent Navy spouse survey that showed that 59 percent of enlisted spouses, and 81 percent of officer spouses, their family members felt that they were prepared for deployment; however, those numbers are not quite sufficient to what we'd like, and we are engaging in making sure that our deployment support is especially strong for unique communities that experience a high operations tempo (OPTEMPO) personnel tempo (PERSTEMPO), or our high-impact communities. That would be groups like the corpsmen, the 8404s who deploy with the Marines, our SEAL communities, and our individual augmentees. Those and a few others experience high stress, and we need to make sure they receive all the support they need.

In keeping with looking at our effectiveness, our Secretary has recently, in March, instituted a Department Inspector General (IG) assessment of all facilities, health care, medical care, and administrative activities that relate to support for those in combat during deployment, for those wounded, and for the families. That is ongoing, in addition to the IG reviews of the quality-of-life programs when they visit the installations.

The Marine Corps is also doing a quality-of-life survey, this year, which they administer regularly, to make sure that we're keeping pace with the effectiveness of our programs.

The stresses of deployments was another issue you raised in your letter of invitation. To effectively operate this web on inclusion for quality-of-life I referred to, we recognize that there are special stresses during deployment, and those stresses have to do with not only the general cycle-of-life issues, like, "Are you aware of your benefits?" but, because of the high OPTEMPO and PERSTEMPO, there's additional stresses, particularly to the dependent children and the spouse. So, we have programs that we have, for instance, Senator Inhofe mentioned the childcare issue, and I'm conducting an assessment of the military construction (MILCON) prioritization of funds for childcare and other quality-of-life programs right now to make sure that it does not get shortchanged in our requirements for our primary mission, which is defense.

Also, when there is a deployment, we recognize that the children oftentimes do exhibit stress reactions. We have, at our military treatment facilities, our 60 Fleet Family Support Centers and our 18 Marine Corps installations, a triage approach to making sure that if we haven't thoroughly been able to prevent challenge to the child, in terms of a stress reaction, that they're seen immediately by the mental health civilian and military professionals in mental

health, and, if necessary, they're referred through TRICARE, to specialists in the community.

The Marine Corps Lifestyle Insights, Networking, Knowledge, and Skills program also provides assistance to family dependents for preparation for the 15- to 17-year-old children for the challenges of deployment. The Navy and Marine Corps partners with the Boys and Girls Clubs to provide youth programs for them so that they're active and engaged with peers during the deployment cycle.

We also are very appreciative of the relationship with the Association for Child Care Resources and Referral Agency, which has allowed us to have additional childcare to support the spouse of the deployed individual during the times when they may be employed or just need a break.

Financial hardships was an issue that was mentioned. We recognize this is a greater challenge during deployment, oftentimes. Our Navy-Marine Corps Relief Society is an essential partner with us, and they provide grants to parents of the wounded, for instance, on invitational travel orders. They provide support for spouses and families who have lost wages. In Hawaii, for instance, the Fleet Family Support at Pearl Harbor, in order to address financial hardships, has a Million Dollar Sailor program that they have a special 2-day program to provide education and consumer awareness issues. Predatory lending is one of the issues they specifically address. The Navy leads in enrollment of Active Duty sailors in the Thrift Savings Plan.

Finally, I'd just like to wrap up my comments by saying that, when we discuss families, I like to emphasize that families are not simply the spouses and dependent children. As I've been able to visit, especially, those who are combat wounded at Bethesda and other medical treatment facilities, I've been able to see the parents. A lot of our marines are single, and the family is their non-dependent parent. Sometimes, in our community of care for the family or the wounded individual, that may even extend to siblings or to close friends. So, I think we have to look at what constitutes the notion of a family.

I thank you very much for your leadership and your caring and our joint commitment as we work to make sure family support services are quality, and delivered on time.

Thank you.

[The prepared statement of Dr. Davis follows:]

PREPARED STATEMENT BY DR. LYNDA DAVIS

Chairmen Nelson and Akaka, Senators Graham and Ensign, distinguished members of the Personnel and Readiness & Management Support Subcommittees, thank you for the opportunity to appear before you today.

Support and services for our Navy and Marine Corps families is a fundamental function of the Department of the Navy (DON) and the cornerstone to ensuring quality of life and mission readiness of our sailors and marines. Family support is a DON Objective recently reinforced by the Secretary of the Navy, the Chief of Naval Operations and the Commandant of the Marine Corps in a 23 August 2006 tri-signed memo. Its realization is supported not only by the Services but through a network of partnerships with our Veterans Service Organizations, Veterans Benefits Organizations and Community Based Organizations. Successful family support programs require this "web of inclusion."

The DON has outstanding family support programs to assist our families as they navigate through the military life cycle. Our programs address everyday life issues through services such as life skills education classes, spouse employment assistance,

counseling services, information and referral, relocation and transition assistance, as well as the specialized assistance needed before and after deployment and when a sailor or marine is wounded. Key to the delivery of this myriad of family support services are the Navy and Marine Corps delivery centers. The Navy has 60 delivery sites serviced by a Fleet and Family Support Center (FFSC) or a satellite office. The Marine Corps Community Services (MCCS) provides Marine and Family Service assistance at all of their 18 installations. I'd like to highlight a few of the programs we offer our families.

OMBUDSMAN/KEY VOLUNTEER NETWORK PROGRAMS

The Navy's Ombudsman Support and the Marine Corps' Key Volunteer Network (KVN) and Lifestyle Insights, Networking, Knowledge and Skills (L.I.N.K.S.) Programs are important resources for our families, especially during deployments. The Navy currently has approximately 2,200 trained Ombudsmen and the Marine Corps has approximately 3,000 KVNs. Ombudsmen and key volunteers facilitate the flow of information between commands and family members. The Navy's recently revised Ombudsman Instruction and Manual expands training for our Ombudsmen to include providing assistance to families of sailors who have been deployed as Individual Augmentees (IAs) as well as information on how to recognize combat operational stress and resources available to families requesting assistance. To support the enhanced training needs of the Ombudsman Program, the Navy provides priority child care for spouses who attend required Ombudsman training.

For Reserve families, the Marine Corps KVN and L.I.N.K.S., as well as the Navy Ombudsmen, provide training guides to address Reserve families' remote access requirements. These special military spouse/family volunteer initiatives have attracted the support of many Navy and Marine Corps national service organizations (e.g., Navy-Marine Corps Relief Society) who are important service delivery partners.

NEW PARENT SUPPORT

Our FFSCs and Marine and Family Service Centers have programs in place for new parent support and training. Parenting for a young couple can be daunting in conjunction with the rigors of military life, so the family centers provide educational programs to assist sailors, marines, and their spouses in adjusting to parenthood. About 1,500 parents are served per year through these programs.

CHILD AND YOUTH PROGRAMS

Taking care of our young family members requires a broad spectrum of programs and dedicated, professional staff. The DON offers child development programs, school-age care and youth programs. To meet the unique needs of our children and youth coping with deployed parents, we have partnered with community based organizations and programs such as "Military Child Care in Your Neighborhood" for children ages zero to 5 years and the "Mission Youth Outreach Program" for children ages 6 through 12. For parents who work extended hours, shift work, or serve as watch standers, Navy and Marine Corps have expanded child care facility hours of operation on base and provide extended child care opportunities through our family child care homes. Options include emergency drop-in child care at no or reduced cost, respite care for parents needing some time away from their children and our Navy 24/7 Child Care Homes located in Norfolk and Hawaii. Both Navy and Marine Corps have also been able to provide spaces through temporary modular child care center facilities funded by your support of DOD's emergency intervention program. Navy and Marine Corps also have strong programs reaching out to our youth. We are affiliated and very active with the Boys and Girls Clubs of America. The Navy is providing teen employment opportunities during summer months with our on base programs such as our child development and youth centers, morale, welfare and recreation programs and the Navy's Fleet and Family Support Centers.

FAMILY MEMBER EMPLOYMENT ASSISTANCE

Due to the mobile lifestyle and expeditionary roles of our Sailors and Marines, our spouses face unique employment challenges. We recognize that spouse employment is a key quality of life issue as well as a retention consideration. Our Navy and Marine Corps family centers provide an employment assistance program that includes workshops on the status of the current labor market, salary and wage trends in particular areas, career counseling, resume writing, job interview techniques and job searches.

PROFESSIONAL COUNSELING

The Navy FFSCs and the Marine and Family Service Centers provide a range of counseling services for families to assist them in coping with deployment, everyday issues, and the special challenges of a mobile force. Our centers have licensed counselors who provide short-term, individual, couples, family and group counseling to address relationships, crisis intervention, stress management, substance abuse, occupational issues, as well as grief support after the loss of a loved one. We are experiencing an increase in counseling services to families during the post-deployment phase. In support of the increased deployment and longer deployment cycles, these counseling services are an invaluable supplement to the counseling services provided by our uniformed mental health personnel.

DEPLOYMENT SUPPORT

Our centers play a key role in preparing our families for deployment. Pre-, mid- and post-deployment programs are offered to sailors, marines, and their families. The Navy sends "return and reunion" teams out to meet ships returning from deployment. The teams stay with the ship until it arrives at its home port. These teams provide sailors and marines a variety of programs to include: how to reintegrate into their families, the techniques of stress management, how to adjust to a new baby, and money management. The Navy FFSP is working with our Special Warfare and Expeditionary Forces (e.g., SEALs) to place support staff onsite to assist families in these high operational tempo (OPTEMPO) communities. The FFSCs are now providing services to civilian families who have a civilian deployed spouse in support of the global war on terrorism.

INDIVIDUAL AUGMENTEES

Many sailors and marines are supporting the global war on terrorism when deployed or mobilized as IAs. The Navy has established an Expeditionary Combat Readiness Center within the Naval Expeditionary Combat Command to serve as a primary interface with IAs and their families. We continue to address key issues of predictability and stability for our Service families, especially those of the IAs. The Navy FFSP has developed IA handbooks for both the commands that are deploying sailors as well as for their families. These comprehensive handbooks provide information on how to successfully manage these deployments, resources for assistance, and guidance provided to families of all deployed servicemembers on recognizing the signs of Combat Stress and Post Traumatic Stress Disorder. Again, the Navy provides priority child care for families of IAs when they attend command-sponsored meetings.

CARE FOR FAMILIES OF WOUNDED

Our family support programs are expanding in real time to meet the needs of our wounded sailors, marines, and their families. Caring for sailors and marines who have been injured, sometimes very severely, is requiring knowledge on medical care, administrative processes, and rehabilitative services that has never before been needed by our families and their loved ones. Additional programs and resources for our injured and their families include: the Navy Safe Harbor program and the Marine Corps Wounded Warrior Regiment (Marine 4 Life). In addition to these two cornerstones of service care and continuity throughout the treatment process, the Marine Liaisons based in our Military Treatment Centers provide personalized support for injured servicemembers and their families, helping them navigate the continuum of care from inpatient to outpatient status and from the DOD Military Treatment Facility to the VA facility. As an example of our ongoing partnerships with non-governmental agencies, the Navy-Marine Corps Relief Society is a key partner providing an important "Visiting Nurse Program." The visiting nurses go to the homes of our wounded and provide education and arrange for respite care for family members.

FINANCIAL MANAGEMENT

Because our Services are comprised of many young members who may not yet have sound financial management skills, financial readiness is an important part of military readiness. Ensuring families are financially stable prior to deployment enhances mission readiness for our sailors, marines, and their families. Our family support centers offer robust personal financial management programs that provide education, training and counseling emphasizing long-term financial responsibility. DOD and the Services have developed partnerships with Federal, corporate and private organizations to assist families in managing their finances. Training for finan-

cial responsibility begins at recruiting commands and extends throughout the servicemember's career. Navy-Marine Corps Relief Society, Navy Mutual Aid, and our Veteran's Service Organizations provide financial assistance to families who may experience financial difficulty.

ADDITIONAL RESOURCES

Since family needs may arise at anytime of the day or night, DOD and the DON have numerous Web sites and hotlines to help fill the gap. An excellent resource is a Web site created by the Deployment Health Clinical Center which provides services and resources online as well as by phone to help close the gap for families who may not be able to access family support centers. Both the Navy and Marine Corps family centers have robust Web sites easily accessible by families. The links are: Navy—www.ffsp.navy.mil. Marine Corps—www.usmc-mccs.org/family.

CONCLUSION

Department of the Navy family programs are a vital part of our overall personnel readiness and are key to recruiting and retention. When a sailor or marine knows that his/her family is being cared for he or she can concentrate on their mission. This is the primary objective, thus our sailors, marines, and their families will continue to have our commitment to the highest levels of the full range of quality support services. The DON will provide Navy and Marine Corps families the support programs to help them cope successfully with the challenges they may encounter during their spouses' military career.

Senator BEN NELSON. Thank you, Dr. Davis.

Mr. McLaurin?

STATEMENT OF JOHN MCLAURIN, DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR HUMAN RESOURCES

Mr. MCLAURIN. Chairman Nelson, Chairman Akaka, Senator Graham, and Senator Chambliss, good afternoon. I appreciate the opportunity to testify before you today to discuss family readiness.

In an All-Volunteer Force, caring for Army families plays a vital role in sustaining the commitment of our soldiers. For deployed soldiers, it is essential they know that their families have strong support networks while they're away.

Our leaders, from installation level to the Chief of Staff of the Army, recognize the importance to not only sustain our robust family programs, but also to augment them as necessary, to address emerging needs. We continuously analyze feedback from a variety of soldier and family surveys, senior spouses, and commanders to ensure our soldiers' and families' needs are met.

Recognized as a driving force behind hundreds of legislative, regulatory, and policy changes, as well as program and service improvements over the last 24 years, the Army Family Action Plan is one of our most significant and effective ways for soldiers and families to raise issues to senior leadership for resolution.

At the November 2006 worldwide conference, we added another work group to this vital process, to identify the concerns and issues of our wounded warriors and their families.

Recognizing the significant impact of deployment extensions on families, the Army is dedicated to providing the highest level of support to soldiers and family members upon the announcement of involuntary extensions. In light of the recent policy change to extend all Army tours to 15 months, General Casey has directed an immediate assessment of the impact of this extension on all Army programs and policies.

When troop deployments were extended on very short notice last year, headquarters Army quickly established and deployed a multi-

disciplinary tiger team to Fort Wainwright, AK, and Fort Drum, NY, to support commanders' efforts to successfully deal with the resulting myriad of soldier and family issues.

Incorporating lessons learned, the Tiger Team SmartBook is now used as a tool by commanders at every level to anticipate and determine the support necessary in the event of a deployment extension. The headquarter's Tiger Team stands ready to immediately assist commands faced with extended deployments.

As articulated in the 2007 Army Posture Statement, the Army honors our commitment to care for our soldiers and their families, and to continually work to match the quality of life that our soldiers and families enjoy to the highest quality of service that they now provide to the Nation.

I'd like to highlight a few of our key programs and services.

Our Army Community Service (ACS) Organization has the primary responsibility to provide personal and family readiness support to commanders, soldiers, and families. Proactive in preparing and sustaining families, family readiness groups provide mutual support and assistance in a network of communications among the family members, chain of command, and community leaders.

For geographically dispersed units, the Virtual Family Readiness Group Web System provides all the functionality of a traditional family readiness group in an ad hoc and online setting.

We recognize our programs and services cannot be solely installation-centric. By consolidating Active and Reserve component program information and cross-training staff, we seek to reduce duplication and confusion.

When fully implemented, the integrated, multicomponent Family Support Network will provide a comprehensive approach for community support and services to meet the diverse needs of Active and mobilized Guard and Reserve families.

By utilizing the wealth of resources available in the civilian sector, we have established partnerships with 26 corporate and military employers through the Army Spouse Employment Partnership. This initiative focuses on improving spouse employment opportunities, especially for our career spouses, who often must quit their jobs to accompany their soldier spouse to the next assignment. We believe increased spouse employment opportunity supports retention and contributes to family financial stability by helping spouses maintain careers.

One partner, Dell Incorporated, established a Virtual Call Center pilot at Fort Hood, TX, back in 2005, allowing spouses to work from home. Dell has now implemented a from-home program, hiring 29 spouses to provide customer service from their homes. In 2006, our partners hired over 5,000 military spouses, bringing the total number employed by the partners to 16,000.

Family readiness, Senator Akaka, also entails providing soldiers with financial readiness training and counseling. Classes in personal financial management are provided during basic and advanced training, and again at a soldier's first duty station. During 2006, the ACS conducted over 14,000 classes, with close to 320,000 in attendance. Soldiers who completed this course were significantly less likely to need financial counseling. Those who completed

the counseling showed a significant decrease in indebtedness and increased savings.

Taking care of families includes ensuring access to quality, affordable, available, and predictable child and youth programs. Soldiers can focus on the mission, knowing their children are thriving in our child and youth programs, and are adjusting as they move from school to school. As the need for child and youth programs continues to increase, the Army has taken a number of actions to assist in meeting this need.

We have provided over 2 million hours of free and reduced-patron-fee hourly and respite childcare to families of deployed soldiers. Installation child development centers and family childcare homes have extended operating hours, beginning as early as 4:30 in the morning and ending late in the earning, and even into the weekends. Active Duty geographically dispersed and Reserve component deployed families are able to access child care support and pay reduced childcare fees. Operation Military Child Care helps families locate childcare at reduced rates in their local community, when they're unable to access childcare on the installations. At present, the Army has over 2,200 children receiving the childcare subsidy.

In closing, I thank you for this opportunity to appear before you today to discuss family readiness. On behalf of the acting Secretary of the Army, the Chief of Staff of the Army, myself, and, most especially, Army families all over the world, I thank you for your already strong support. On all of our behalfs, I ask only for your continued strong support.

I look forward to answering your questions.

[The prepared statement of Mr. McLaurin follows:]

PREPARED STATEMENT BY JOHN P. MCLAURIN III

INTRODUCTION AND BACKGROUND

Good afternoon Chairmen Nelson and Akaka, Senators Graham and Ensign, and distinguished members of the Subcommittees. I appreciate the opportunity to testify before you today to discuss the family readiness for Army families of Active Duty, Army National Guard, and Army Reserve personnel.

In an All-Volunteer Force, caring for Army families plays a vital role in sustaining the commitment of our soldiers. As General Casey, Chief of Staff Army, stated when speaking to the Army on April 11, "You and your families carry a heavy burden in today's war, with a hard road ahead." For deployed soldiers, it is essential that they know that their families have strong support networks while they are away. Our leaders from installation level to the Chief of Staff Army recognize the importance to not only sustain our robust family programs, but also to augment them as necessary to address emerging needs. One of General Casey's initiatives is to "Enhance quality support to soldiers and families to preserve the strength of an all volunteer force." We continuously analyze feedback from a variety of soldier and family surveys, senior spouses, and commanders to ensure our soldiers and their families are well taken care of and their needs are met.

In light of the recent policy change to extend all Army tours to 15 months, General Casey has mandated an immediate assessment of the impact of this extension on all Army programs and policies. We recognize that never has the importance of family readiness and supporting programs been greater. It is even more critical that Army Family Programs and Child and Youth Services continue to meet the needs of our Active Duty and Reserve component families. As articulated in the 2007 Army Posture Statement, the Army honors our commitment to care for our soldiers and their families and unceasingly works to match the quality of life that our soldiers and families enjoy to the quality of service they provide to the Nation.

Continued engagement in the long war is transforming the way the Army delivers family readiness programs, particularly for those families not living on or near military installations. Our programs can no longer be solely installation centric.

We have integrated numerous Army-wide well-being functions into a comprehensive framework to better enable us to focus resources, measure success, and address the needs of an Army at war that is simultaneously transforming. These programs help to reduce the stress of daily challenges as well as provide assets to assist families to cope successfully and sustain their resilience.

FAMILY READINESS

Services delivered through Army Family Programs are critical to the well-being of soldiers and families, and directly influence the Army's ability to sustain mission readiness during times of peace, war and national crisis. We do not want to put soldiers in a position of having to choose between the profession they love and the well-being of the families they love. The successes of our past in responding to the diverse needs of soldiers and families, along with our roadmap for the future, create an environment where soldiers have confidence in the systems we have developed to provide that support. The following serves to highlight a few of our key programs and services.

Our Army Community Service (ACS) organization has the primary responsibility to provide personal and family readiness support to commanders, soldiers, and families. Extremely proactive in preparing and sustaining families, the ACS staff teaches life skills and provides ongoing training for the Unit Family Readiness Team (unit commander, rear detachment commander, Family Readiness Group (FRG) leaders, and family members). FRGs provide mutual support and assistance, and a network of communications among the family members, chain of command and community resources. FRGs conduct activities that support the unit's mission, ease the strain and stress associated with separations due to military missions, and provide a communication network. We have published guidance on FRG operations and provided useful and practical techniques for handling deployments for commanders, soldiers, spouses, and children.

The Operation Resources for Educating about Deployment and You (OP READY) training program assists commanders in meeting family readiness objectives. Training programs include: Family Readiness Group Leader, Rear Detachment Commander, Family Assistance Center Operations, Army Family Readiness, Trauma in the Unit, Soldier/Family Deployment Survival, Reunion and Homecoming and Children and Deployment. OP READY is available through ACS and Reserve Component Family Program staff. Each OP READY topic includes separate materials for units, families, and instructors.

Family Readiness Centers are places where families of deployed soldiers can gather for meetings, receive the latest information, and socialize with other family members. Facilities may contain computer equipment with web and e-mail access to facilitate family member communication with the deployed soldier, as well as video teleconferencing equipment linking on a coordinated schedule with the deployed unit. These are controlled and manned by either the ACS or the major deployed unit's rear detachment, or a combination of both, and in some communities are co-located with ACS.

Implemented Army-wide in February 2006, the Virtual Family Readiness Group (vFRG), currently supports about 650 Army units and continues to receive positive feedback from users. The vFRG web system provides all of the functionality of a traditional FRG in an ad-hoc and on-line setting to meet the needs of geographically dispersed units and families across all components of the Army. The unit's vFRG links the soldier, family, FRG leader, unit commander, rear detachment, and other family readiness personnel on their own controlled access Web portal to facilitate the exchange of information and provide a sense of community, using technology to automate manual processes and provide enhanced services and communications. The unit commander is responsible for maintaining the vFRG content and user access.

The Army Family Team Building Program builds stronger, more self-reliant families by providing education and readiness training that is particularly targeted to family members at every level, to include junior enlisted spouses who are new to the Army and its ways. Demand for classes increases during deployment and times of crisis when families need current information and strengthened coping skills.

Our 95 garrison ACS directors reach out to the Army National Guard and Army Reserve units in their geographic areas of responsibility to assist Reserve Component family program personnel with providing information, training, and other deployment readiness assistance. Our Integrated Multi-Component Family Support

Network (IMCFSN) provides a seamless customer-focused network of services to Army families, regardless of component. The IMCFSN delivery concept is accomplished by training Active Army, Army National Guard, and U.S. Army Reserve service providers on all authorized services and programs available to soldiers and families by each component. When fully implemented, the IMCFSN will provide a comprehensive multi-agency approach for community support and services to meet the diverse needs of Active and mobilized Guard and Reserve Army families. It will reduce duplication of effort and provide geographical support where families live. Networked systems will contribute to information superiority by providing families access to online knowledge sources and interconnecting people and systems independent of time, location, or Service component. The IMCFSN will ensure services are available throughout the Army for predictable full spectrum support.

One of our concerns is that the Army's current deployment posture has taxed the resources of Rear Detachment (RD) and FRG leaders. Although spouse volunteer leaders are using a variety of strategies to share the workload, the nature of today's expeditionary Army makes running FRGs a daunting task. Family Readiness Support Assistants (FRSAs) provide administrative and logistical support to volunteer FRG leaders, (e.g., maintaining telephone trees, family data cards, scheduling speakers for FRG meetings, etc), which allows FRG leaders to focus on assisting families. Commanders are currently absorbing the cost of these assistants. The Army is working to institutionalize this support resource and establish battalion level FRSA positions Army-wide.

Another valuable online tool for families is MyArmyLifeToo.com. Launched in 2005, it provides single portal access to current information about Army life. Heavily used by families, the site has had over 28 million "hits" since its inception. In addition, over 55,000 soldiers and families have signed up to receive the monthly e-newsletter. Military families also have two additional Department of Defense (DOD) resources—Military Family Life Consultants (MFLC) and Military OneSource (MOS). The MFLCs provide much needed, on-demand personal support to soldiers and families by providing outreach through direct consultation, classes, groups, and individual sessions. Extremely flexible, the program allows the Army to deploy and redeploy these consultants where and when needed for up to 90 days. Topics include: emotional well being; relationships; marriages; parenting; deployment; change management; stress management; and grief and loss. When an installation identifies specific needs, they may request consultants with these specific skills. The consultants also provide assistance to ACS and Child and Youth Services staff to alleviate emotional burnout and family distress.

Another DOD resource, Military OneSource (MOS), is a 24/7 toll free information and referral telephone line and Internet/Web based service that is available to soldiers, and their families. This service augments our installation family support services by providing telephonic and Internet access to families living off installations. MOS can also arrange for up to six face-to-face counseling sessions if requested. A very valuable resource, MOS staff disseminated information at 384 Army pre- and post-deployment briefings and events attended by more than 150,000 soldiers and family members last year.

We also recognize the wealth of resources available in the civilian sector. As a result, we have aggressively cultivated partnerships to improve services to families. For example, the Army Spouse Employment Partnership (ASEP) initiative focuses on improving spouse employment opportunities for our Army spouses, especially our career spouses who often must quit their jobs to accompany their Active Duty soldier spouse to the next assignment. We believe increased spouse employment opportunities support soldier retention and contribute to family financial stability by helping spouses maintain careers. Since its inception in 2003, ASEP has linked 26 corporate and military employers with us to provide job and career opportunities to military spouses. Current Partners are: Adecco USA; Affiliated Computer Services, Inc.; Army and Air Force Exchange Service (AAFES); Army Career and Alumni Program (ACAP); Army Civilian Personnel Office; BellSouth; Boys & Girls Clubs of America; Computer Sciences Corporation; Concentra, Inc.; CVS/pharmacy; Defense Commissary Agency (DeCA); Dell, Inc.; EURPAC Service Inc.; H&R Block; Home Depot; Humana Military Healthcare Services; Lockheed Martin; Manpower, Inc.; Sabre Holdings/Travelocity; Sears Holdings; Social Security Administration; Sprint; Starbucks Coffee Co; Stratmar Retail Services; Sun Trust Bank; and United Services Automobile Association. One ASEP partner, Dell, Inc., established a Virtual Call Center pilot at Fort Hood, TX, in 2005 allowing spouses to work from home. The company has now implemented a "From Home Program", hiring 29 spouses and providing them training and equipment to work in virtual customer service from their homes. MyArmyLifeToo.com and the military spouse job search Web site, www.msjs.org, provide portals for military spouses to develop their resumes and

apply for jobs. In fiscal year 2006, ASEP partners hired over 5,000 military spouses, bringing the total of spouses employed by ASEP partners to 16,000. The Council of Better Business Bureaus, a key community partner, works with military installations and local Better Business Bureaus to resolve consumer issues affecting military personnel and their families.

Recognized as a driving force behind hundreds of legislative, regulatory and policy changes, and program and service improvements over its 24-year history, the Army Family Action Plan (AFAP) enables our soldiers and families to raise issues to senior leadership for resolution. AFAP is recognized and strongly supported by local commands as well as senior Army leadership. Installations and headquarters monitor issues and their progress through regular guidance, direction, and leadership approval. AFAP recognizes that as the operational tempo of the Army changes, we need to adapt our programs and policies to continue to meet the needs of our soldiers and families. Each year, the conference pursues resolution of critical quality-of-life issues. For example, at the November 2006 worldwide AFAP conference, we added a workgroup to this vital process to represent our wounded warriors. Our soldiers and families know AFAP is their "voice" in the Army's future.

Another program the Army has initiated to obtain relevant and current feedback from families is the Army Family Readiness Advisory Council (AFRAC). Meeting twice yearly, the AFRAC is co-chaired by the spouses of the Chief of Staff Army and Vice Chief of Staff Army. Membership is comprised of the following: spouses of Army Command Deputy Commanders/Chief of Staff; Command Sergeants Major; Director, Army National Guard and Chief, Army Reserve; Army National Guard and Army Reserve Command Sergeants Major; rotating Army Service Subordinate and Direct Reporting Units reps (Commander, Command Sergeants Major Spouses); rotating Army 2-star Joint Command representatives (Commander and Command Sergeant Major Spouse); Sergeant Major of the Army (DA-level) representative; and a selected junior spouse. The AFRAC members look at issues that impact quality of life from a strategic and global Army-wide perspective and advise senior leadership on the direction of Army Family Programs; assess and recommend solutions for evolving family issues; establish short and long range goals and objectives; serve as advocates for Family Program services, initiatives and volunteers; and assist in the implementation of family programs. The Council serves to enhance soldier readiness, retention and mission efficiency, increase program effectiveness, and connect families to the Army.

The Survey of Army Families (SAF) is another tool the Army uses to gauge the attitudes and behaviors of civilian spouses of Active Duty soldiers. Recent in-depth analyses of 2004/2005 SAF V data, provided by the U.S. Army Research Institute for the Behavioral and Social Sciences and the Army's Family and Morale Welfare and Recreation Command (FMWRC), confirm the importance of MWR and family programs to soldier readiness and retention. Significant findings include:

- Spouse knowledge and use of Army support assets and being comfortable dealing with Army agencies are keys to positive deployment adjustment.
- Army recreation services are the second most commonly used non-medical service during deployment, with 42 percent of spouses using this installation program. Thirty-four percent indicated they increased their use during the deployment, and 62 percent said they are satisfied with the services they received.
- Sixty-eight percent of spouses who used ACS personal and financial assistance programs during deployment found these services helpful, the highest rating of satisfaction for deployment related services in the survey.
- As a result of deployment, depression and school problems affect about one in five children. Parents believe their youngest children cope most poorly with the deployment separation, especially preschoolers under age 6.
- Perceptions about the Army as a good place for younger children are linked to soldier retention: 86 percent of the spouses who think the Army is good for younger children want their soldier to stay in the Army, while only 51 percent of spouses who think the Army is not good for their children want their soldier to remain in the Army.

The Army's Recreation program provides a variety of activities designed to support the families of deployed soldiers. Begun at Schofield Barracks when the 25th Infantry Division was notified that they would be deploying, Army libraries now offer "Read to the Kids." This program allows the families to stay connected through a deployed parent recorded story time during their months of separation. Soldiers deployed in Iraq and Afghanistan and their families are also able to share "video messages" during the deployments. Automotive centers provide auto storage areas where spouses can store vehicles with problems until their spouse returns. Some in-

stallations also provide auto repair and towing services for family members of deployed soldiers to insure they have safe, reliable service. Sports and fitness offers targeted classes for family members, scheduled at times and locations which best meet their needs.

To support our Wounded Warriors, the Army Wounded Warrior (AW2) program employs specially trained personnel in the role of Soldier Family Management Specialists (SFMS). As the soldier's primary advocate, the SFMS assists in meeting the soldier and family's needs throughout the treatment, rehabilitation, and transition processes. Support offered includes assistance with financial issues, pay problems, administrative support requirements, and explanation of the physical disability evaluation process. When the soldier transitions from the Army into the community, the SFMS serves as the soldier's Veterans Affairs (VA) advocate. They also provide a link for the soldier and family to various Federal, State, and local aid programs, benefits, and support organizations. After the soldier and their family have completed transition, the SFMS continue to reach out to the soldier and family to ensure continued advocacy and support.

The Department of the Army is dedicated to providing the highest level of support to soldiers, family members, and installation infrastructures upon the announcement of involuntary extensions. Army deployed a multi-disciplinary Tiger Team from Headquarters Army to 172nd Stryker Brigade at Fort Wainwright, AK, and 10th Mountain Division at Fort Drum, NY, to support these commander's efforts to successfully deal with the myriad of family issues resulting from the unit deployment extensions. Incorporating lessons learned, we have developed a Tiger Team Smart Book as a tool for commands at every level to anticipate and determine the support necessary in the event of a deployment extension. The primary objective of the Tiger Team Smart Book is to synchronize, standardize, and streamline procedures to effectively and efficiently support soldiers and families through this difficult time. The Tiger Team will continue to provide assistance as needed to the additional units facing extended deployments.

Although families are resilient, they are not on their own. They are part of the Army family and we take care of them by providing support and meaningful opportunities for social bonding. There must be sufficient infrastructure, independent of volunteer support, properly resourced to deliver consistent quality services in a seamless manner.

The Army will continue to offer quality programs and services to families, which will positively affect retention. Family well-being and quality-of-life are critical to the readiness of our soldiers and have a profound effect on decisions regarding whether the soldiers will remain in the Army or leave it when their enlistments or obligations are over. Adaptive and resilient, the Army family will continue to thrive as the expeditionary Army sustains an operational tempo that continues to be challenging.

CHILD AND YOUTH SERVICES INITIATIVES

Quality, available, affordable, and predictable child and youth programs, delivered in an integrated system of facility based, home-based and off-post programs, allow soldiers to focus on their missions, knowing their children are thriving in our child and youth programs and are adjusting as they move from school to school. As a quantifiable force multiplier, these programs are crucial in reducing the conflict between soldiers' parental responsibilities and unit mission requirements. The 2005 Survey of Army Families indicated that the "predictable and consistent services provided by Army Child and Youth Programs reduce the stress children and youth experience when a parent is deployed". Further, parent responses in the Survey indicate the "Army provides a supportive environment and services designed to promote positive adjustments and strengthen child well-being during the period of deployment separation".

There are many military-unique factors that make child care and youth supervision options a necessity to support our soldiers. For instance, military families are often younger families with children and are living away from their own extended families and neighborhoods. Military families need care for infants and toddlers which is the very age group that care is least available off post. Military duties require child care and youth supervision options 10–14 hours per day including early morning, evenings, and weekends as well as round-the-clock care—sometimes for an extended period of time. The lack of care options at remote sites and overseas creates challenges between mission requirements and parental responsibilities. Parents who are either single and dual military and those families whose spouses are deployed making them temporarily single parents have distinctive needs. One addi-

tional military unique factor includes the mobile military lifestyle with its frequent relocations resulting in challenging school transitions—especially for teens.

Child and youth programs play a vital role in supporting families affected by the global war on terror. Families tell us that the extraordinary efforts our child and youth staff and family child care providers make a difference in their ability to cope with the stress of family separation. Telling, too, is the fact that many of the staff and providers are also dealing with the deployment of their own spouses.

As the need for child and youth programs for both deployment support and day-to-day workforce child care continue to increase and change, the Army has taken a number of actions not only to meet this need but also to meet extended deployment needs and close installations in Europe.

The Army has provided over 2 million hours of free and reduced patron fee hourly and respite child care to families of deployed soldiers since the beginning of Operations Enduring Freedom and Iraqi Freedom. Installation child development centers and family child care homes have extended operating hours. Often beginning as early as 4:30 a.m. and going until late into the evening to support shift workers, child and youth employees and family child care providers support families of deployed soldiers. The staff often works at night and on weekends to provide care during family readiness group meetings and special events held by the installation to support families of deployed servicemembers.

Family child care providers frequently provide additional evening hours of care taking the children to ball practice, choir, helping with homework, and volunteering to coach youth sports teams whose coaches are deployed. In short, child and youth employees and family child care providers are making every effort to provide a predictable and consistent level of program availability to enhance the lives of children who desperately need this support. The respite care provided gives parents time to attend to personal needs or take breaks from the stresses of parenting. Partnerships with organizations like the Boys and Girls Clubs of America and 4-H enhance School Age Services programs, and Teen and Youth Centers and offer value-based programs to help youth deal with the stress associated with parental deployments.

Army also responded to the child and youth requirements resulting from the deployment extensions of the 172nd Stryker Brigade at Fort Wainwright, AK, and 10th Mountain Division at Fort Drum, NY. At each location, child and youth services programs and hours of operation were expanded to meet the unique needs of these families. In Alaska, Child and Youth Services staff from other Army installations volunteered to be temporarily assigned to Fort Wainwright to ease the burden and stress of the existing child and youth staff, many of whom had spouses who were extended. The lessons learned are applicable to the recently announced 15 month deployment requirements.

To support deployment requirements, Active Duty geographically dispersed and Reserve component deployed families are able to access child care support and pay reduced child care fees when soldier parents deploy. Operation: Military Child Care, a DOD partnership initiative with a national nonprofit organization, helps families locate child care at reduced rates in their local community when they are unable to access child care on military installations. Since the inception of Operation: Military Child Care in February 2005, over 5,000 DOD children have participated. Army currently has over 2,200 children receiving the child care subsidy.

In conjunction with the National 4-H Office, the Army's Operation Military Kids (OMK) initiative is a collaborative effort in 34 States to support the children and youth of our Reserve component soldiers. This vital Army partnership with the Department of Agriculture is a success story that engages main stream America in directly supporting our military youth. Most recently, the OMK team in Minnesota responded to the child and youth needs of families affected by the extension of its National Guard soldiers. Mobile Technology labs are used to communicate with deployed parents, provide professional development for school personnel, and support other OMK activities to help ease the stress on families. In fiscal year 2006, more than 29,000 youth participated in OMK events and services conducted in their local communities.

While providing extensive deployment support to Active and Reserve component families, Army transformation and the expeditionary force is altering the way the Army has traditionally delivered child care services. Increasingly, we find the on-post, Army-operated child care programs insufficient to meet the growing demand for services. To increase child care availability, several community initiatives have been developed to meet the child care needs of our families.

Military Child Care in Your Neighborhood assists geographically dispersed Active Duty families locate child care spaces in their community. These child care spaces are targeted to meet the child care needs of recruiters, Reserve Officer Training Corps instructors, MEPCOM personnel and soldiers on independent duty assign-

ments living in communities that are not within reasonable commuting distances to military installations.

Army Child Care in Your Neighborhood supports families living in the immediate catchment areas surrounding some of our installations where there are long waiting lists for care on the installation. Army has programs underway at the most heavily impacted transformation installations: Fort Riley, KS; Fort Carson, CO; Fort Drum, NY; Fort Hood, TX; Fort Campbell, KY; and Fort Bliss, TX.

Under these programs, services are outsourced through a national nonprofit organization that assists families locate child care when they are unable to access child care on military installations. Families pay reduced fees based on total family income for child care services delivered through state licensed/regulated and nationally accredited or credentialed community child care programs.

As part of the 2006 DOD emergency intervention strategy, nine highly impacted Army transformation locations procured 18 Child Care Interim Facilities to serve as a viable solution to meet the child care needs until permanent facilities can be constructed (a total of 1,800 additional spaces). The facilities are located at Fort Bliss, TX; Fort Campbell, KY; Fort Carson, CO; Fort Drum, NY; Fort Hood, TX; Fort Lewis, WA; Fort Riley, KS; Fort Stewart and Hunter Army Airfield, GA. Permanent construction projects are programmed in the Future Years Defense Plan to replace these interim facilities by 2013. Using the authority granted by section 2810 of the National Defense Authorization Act for Fiscal Year 2006, Army is adding 10 permanent modular child care facilities at Fort Bragg, NC; Fort Lee, VA; Fort Lewis, WA; Fort Polk, LA; Fort Sill, OK; Tobyhanna Army Depot, PA; Anniston Army Depot and Redstone Arsenal, AL; Detroit Arsenal, MI; and Picatinny Arsenal; NJ.

Another factor in retention of soldiers and families is the availability of quality schools in the civilian community. Army is working with the DOD and Department of Education to ensure that its families are prepared for successful school transitions from one location to another in support of the mobile and transforming Army. Developed in 2005 to address Base Realignment and Closure and Army transformation needs, the Army School Transition Plan includes strategies for successful transition of more than 55,000 Army-connected students from schools in continental United States and overseas locations to be able to adapt to the mobile and changing military lifestyle. Better transitions mean a smoother move and settling in for the family, which in turn supports their stability and security. The soldier, therefore, can concentrate upon the unit's mission.

The plan focuses on coordination with national, State, and local education agencies to integrate military-connected students into local school systems. The Army, the DOD and Department of Education are working in partnership with affected local education agencies to identify best practices on how to accommodate the influx of transitioning students.

During the past few years, many school systems have demonstrated their commitment to respond to the needs of our Army children. Superintendents, principals, and counselors welcome information about how to support our children, including military support services available for their use. Teachers and counselors are extremely positive and demonstrate a genuine interest in the well-being of our Army children.

Army Child and Youth Programs are vital to the readiness, retention and well-being of soldiers and their families. Army must continue on a path to meet the enduring child care and youth supervision needs of a transforming and growing Force and also meet the mobilization and contingency child and youth needs of an Army at war. To do this requires robust programs delivered by a system of Army operated programs on post and by Army sponsored programs provided off post. Only through this integrated approach can Army provide the child and youth services and programs our soldiers need and deserve.

CONCLUSION

Army family readiness and child and youth programs are absolutely essential to the well being of our soldiers and their families and ultimately the sustainment of the force. Army leadership is committed to providing a comprehensive framework of predictable and available programs and services on and off the installation that prepare and support soldiers and families to successfully meet the challenges of current and future deployments.

The Nation has received an excellent return on its investment in our families. On behalf of Army families all over the world, I ask for your continued strong support of our family, child and youth programs.

I thank you for the opportunity to appear before you today, and I look forward to answering your questions. Army Strong!

Senator BEN NELSON. Thank you, Mr. McLaurin.

General Brady?

STATEMENT OF LT. GEN. ROGER A. BRADY, USAF, DEPUTY CHIEF OF STAFF FOR MANPOWER AND PERSONNEL, HEADQUARTERS, UNITED STATES AIR FORCE

General BRADY. Chairman Akaka, Chairman Nelson, distinguished committee members, I appreciate the opportunity to appear before you today to talk about Air Force family readiness programs.

Let me begin by thanking you for the tremendous support you have consistently provided for our airmen and their families. The sacrifices our airmen, their spouses, and children make throughout a typical career are enormous. As our operations tempo increases and deployments lengthen, our Air Force families are presented with many unique challenges not often experienced by their civilian counterparts.

We have over 30,000 total-force airmen deployed in support of the global war on terror. In many respects, the families of these deployed airmen are at war, also. To meet their needs, we support our Air Force community with programs and services for both married and single total-force airmen, whether at home or deployed. From childcare and youth programs to reintegration programs for returning deployers and their families, your Air Force remains committed to ensuring our airmen and their families have the right tools to cope with the many challenges they face.

I would agree wholeheartedly with Dr. Davis that support to families is important before, during, and after deployments. In fact, it's my belief that the programs that we provide after deployment are sometimes the most important in dealing with the stresses that reunited families have.

I am extremely proud of the hard work and dedication put forth by our support personnel to make our mission, and, therefore, the Air Force mission, happen every day all over the world. We recognize this would not be possible without the tremendous support from these subcommittees, and we thank you.

You have my written statement, and I welcome your questions.

[The prepared statement of General Brady follows:]

PREPARED STATEMENT BY LT. GEN. ROGER A. BRADY, USAF

Thank you, Chairman Akaka and Chairman Nelson and distinguished committee members for the opportunity to appear before you today to discuss Air Force Family Readiness Programs. The statement "We recruit the member, but we retain the family" is not a cliché but has been a reality in the Air Force for many years. The quality of life we provide for our airmen and their families is a distinct determining factor in how long they remain in our service.

The sacrifices our airmen, their spouses, and children make throughout a typical career are enormous. As our operations tempo increases and deployments lengthen, our Air Force families are presented with many unique challenges not experienced by their civilian counterparts. We have over 30,000 Total Force airmen deployed in support of the global war on terror, and in many respects, the families of these deployees are at war too. To meet their needs, our Air Force community support programs and services are there for both married and single Total Force airmen, whether at home or deployed.

In particular, the Air Force developed the Heritage to Horizon initiative to strengthen all predeployment, deployment, and post deployment airmen and family wellness programs. Specific areas of improvement include a standardized predeployment checklist and education, mandatory, comprehensive redeployment

services, post-deployment health assessment and reassessment, non-clinical counseling, and reunion challenges that the airman and family face. Many of these programs are outlined in more detail below. Together they demonstrate the Air Force's strong commitment to ensuring our airmen and their families have the right tools to cope with the challenges that may arise from deployments.

CHILD CARE

Readily available, high quality and affordable child care and youth programs are a workforce issue with direct impact on mission readiness. Airmen must balance the competing demands of parenting and military service. This is particularly challenging in today's environment of higher operations tempo, increased mobilization, and longer periods of time away from home. We are committed to serving these airmen and their families by reaching out and assisting all members of the total force through robust child and youth programs wherever the member resides.

Our Air Force Home Community Care program reduces out-of-pocket expenses for Air Reserve component members by providing free in-home quality child care during their scheduled drill weekends. This program provides the same quality child care available to airmen assigned to or living on a military installation. This past year, the Home Community Care program provided more than 10,000 child care hours, enabling our Air Reserve and Air Guard's mission readiness. As one Air Guard member concluded, "This is an invaluable asset to a dual military couple! Drills have always been a headache for child care and it is great to have someone to count on for these times! Thank you, Thank you, Thank you!" Another Air Guard member shared, "The Air Force's Home Community Care program is greatly appreciated. If not for this program, I would have to consider leaving the Air National Guard."

Air Force Active Duty families are also eligible for the Military Child Care in Your Neighborhood program designed to meet the child care needs of servicemembers living in areas where on-base military child care is not available. This program supports military families with locating and paying the cost of high-quality child care outside military installations. It also provides eligible members with a subsidy for 60 days while a nonmilitary spouse is looking for work.

Similarly, the Air Force Expanded Child Care programs provides 18,000 hours each month of child care during nontraditional work hours at no cost to the military member. These programs enable airmen to obtain high quality child care even when the mission requires duty hours at night or on weekends. In addition, the Returning Home Care program provides 16 hours of free child care per child to Active Duty, Air National Guard, and Air Force Reserve members returning to their home stations after deployment in support of contingency operations. The Air Force Family Child Care Subsidy program saves families an average of $143 per child per month by subsidizing the care received in an Air Force home when a slot is unavailable at the child development center. This program is of particular help to those airmen with children under the age of 3 or children with special needs, and to those airmen who work shifts outside of a normal duty day.

A recent national study highlighted the Department of Defense (DOD) child care program as leading the Nation in quality standards and effective oversight. We are proud of this honor and believe that our child care is extremely important to our single and dual military parents, enabling them to focus on the mission. Unfortunately, we still have approximately 5,000 children on our waiting lists. To reduce this shortfall for our airmen, we are adding 2,176 child care spaces using emergency intervention funding from the Office of the Secretary of Defense. Child and youth programs are vital to our readiness and we ask for your continued support.

YOUTH PROGRAMS AND SERVICES

Our youth programs focus on children elementary age through teens. They are a key component of our strategy to support the quality of life of airmen and their families. Our two ongoing partnerships with Boys & Girls Clubs of America and the U.S. Department of Agriculture's 4–H program provide additional means to reach families living both in communities and on active installations. The Mission: Youth Outreach program provides a 1-year free membership in a local Boys & Girls Club. Through this important program, Active Duty, Guard, and Reserve families who do not live near a military installation still have a safe and positive place for their youth to spend their out-of-school time. Our partnership with 4–H fosters the development of 4–H clubs on Air Force bases, and specially appointed State Military Liaisons reach Air Guard and Reserve families with these quality youth programs.

We offer a variety of summer camp opportunities including residential camps, specialty camps, and other base specific camp programs. For the Guard and Reserve youth, our base youth programs have partnered with the National Military Family

Association to provide residential youth camps during the summer. Over 5,000 Air Force youth participated in camps last year designed to help them achieve their potential, develop their self-esteem and build their resistance to negative pressures.

OUTREACH PROGRAMS

Taking care of our Air Force family members back home and helping to keep them in contact with the deployed member is extremely important to the morale and well being of our airmen. The Air Force provides numerous programs to assist airmen and their families cope with the stresses of deployment. Our support for spouses and families during deployment includes free e-mail access, phone and video calls, support groups within units or at central locations, and newsletters. These important programs help to keep families connected with their deployed spouse and up-to-date on programs offered by the installation. In addition, we provide workshops and seminars on topics such as financial survival during deployment, career planning and development for spouses, "suddenly single" parenting skills, and how to keep long-distance relationships healthy. Airman & Family Readiness Centers (A&FRCs) work with Family Member Programs and other support units on installations to sponsor special activities for children such as Junior Personal Deployment Functions which help young family members adapt better to their parents deploying by understanding what their parent experiences in preparation for deployment.

Our A&FRCs also sponsor Heart Link Spouse Orientations designed to "blue" spouses who are new to a military life style. This day-long, fun-filled program helps spouses understand the Air Force mission and how they and their military spouse support that mission. Through games and interactive events, they learn about all the benefits and services provided to them by the Air Force. Our installation commanders open the program by giving a mission briefing and then close the day with the presentation of a Heart Link spouse coin and the singing of the Air Force song! The success of this program has been tremendous as measured by pre- and post-assessments, as well as a 90-day follow-on survey to ask if the program impacted their opinions about the Air Force. One spouse of a pilot said, "After learning about how the Air Force took care of me and my family, I now support my husband's continuation with an Air Force career."

Our Stay Connected deployment kits provide children and parents with a way to maintain a solid connection while they are separated during deployments. Since April 2006, over 13,000 of these kits have been provided to airmen and their families. In the words of one Reserve spouse, "Thanks again from all of us who are trying to make their deployment over there easier. I know my husband enjoyed the message I made him on the recorder pen, and I play the one from him almost everyday."

Providing free calling cards is another way we are facilitating better communication between deployed airmen and their loved ones. The Air Force Aid Society distributed almost 79,000 $20 calling cards to Air Force Active Duty, Guard, and Reserve personnel during fiscal year 2006—a total value of $1.6 million. These cards were vital in helping families not only stay in better contact, but also saved them money on telephone bills. During the same period, the Veterans of Foreign Wars distributed approximately 19,000 additional calling cards to Air Force personnel at an estimated value of $135,000.

The Give Parents A Break program offered through Child Development Programs provides senior leadership and others in the referral network a way to offer no-cost child care to help support military members needing relief from the demands of parenting and military life such as deployment-related stress. The Child Care for PCS Program helps relieve some of the stress felt by families (E–5s and below) in the process of a PCS move. Families receive 20 hours of child care before departing and after arriving at the new base. Supporting the need for family members to be contributing citizens, the Child Care for Volunteers program provides child care services for individuals engaged in supporting activities that benefit the Air Force community.

As part of a DOD-wide deployment support initiative, Whiteman Air ForceB will test the Parents as Teachers (PAT) Heroes at Home program. PAT Heroes at Home is an early childhood parent education program aimed at improving parenting practices and increasing school readiness and success. This free program involves monthly personal visits with a certified parent educator. During these visits, the educator shares age specific information and activities that encourage development. Group parent meetings are held to discuss popular parenting topics along with weekly playgroups. At least once each year developmental and health screenings are conducted using standardized screening tools and vision and hearing checklists. Par-

ent educators also link families to service providers, agencies and other local resources that offer services beyond the scope of PAT/Heroes at Home.

At Eglin Air Force Base, FL, we are also testing another DOD-wide program: the Coming Together Around Military Families initiative. This program is designed to strengthen the resilience of young children and their families who are experiencing trauma, grief, and loss as a result of a servicemember's deployment. The program provides training for professionals working in child care, mental health, health care and A&FRCs. These professionals play an important role in supporting families with very young children who experience the emotional or physical loss of a parent due to deployment, illness, injury, or death. This program will also provide parent resources and training for base professionals as well as outreach efforts to Guard and Reserve communities. Activities include a coming together campaign that will include messages to parents on supporting young children through deployment, relocation and other transitions.

COMMUNITY PARTNERSHIPS FOR SUPPORT

Within the DOD, our Exchange and Commissary partners also provide numerous services for families of those deployed. The commissaries actively participate in all pre-deployment briefs and at A&FRC briefings aimed at Guard and Reserve families. In addition, the new Defense Commissary Agency Internet initiative, the Virtual Commissary, is primarily designed to take the commissary to those Guard and Reserve families who do not live near a commissary and to those deployed to forward areas. This program when fully operational will allow authorized patrons to order from a selection of commissary items at commissary prices, plus a fee for shipping, handling, and delivery, to be delivered to their location.

The Army and Air Force Exchange Service (AAFES) provides support directly to deployed personnel with approximately 450 associates currently deployed in support of Operation Enduring Freedom and Operation Iraqi Freedom. AAFES also offers programs that allow family members and other U.S. citizens to show their patriotic spirit. AAFES sells prepaid calling cards at www.aafes.com to anyone wishing to donate to "Help Our Troops Call Home." Since the inception of the program in 2004, more than 192,000 cards have been purchased to help servicemembers stay in touch with family and friends. There is also a link on the Web site for purchasing gift certificates for deployed troops that can be redeemed in any military exchange in the world. Americans have generously contributed in excess of $1.7 million for these "Gifts from the Homefront." AAFES also provides the Patriot Family Connection which allows the American public to send troops messages of support that are seen and heard in exchanges throughout the contingency theater and overseas.

Working in partnership with the civilian community, Operation Military Child Care (OMCC) provides child care fee assistance for National Guard and Reserve who are activated or deployed and whose children are enrolled in non-DOD licensed child care programs. OMCC provides help in locating licensed child care options in the member's community and offers reduced child care fees through a subsidy. Members are eligible to participate during the period of deployment and for 60 days after their return. OMCC also provides a subsidy for 60 days while a nonmilitary spouse is looking for work

Also in partnership with the civilian community and DOD, Air Force programs provide families of severely injured military members with assistance to find and pay for safe, licensed child care services for a period of 6 months during their period of recuperation. The program is available nationwide wherever the injured member is receiving either in-patient or out-patient medical care.

SPOUSE EMPLOYMENT

Military families often require two incomes to achieve their aspirations, similar to American families as a whole. Frequent moves can inhibit a military spouses' ability to start and sustain a career, even though approximately 80 percent of military spouses have some college. Our spouses often suffer long periods of unemployment and, therefore, loss of income.

Another issue that affects the financial stability of military families is that spouses are often not eligible for unemployment compensation after PCS moves. Statutes or policies of many States view a spouse leaving a job due to a military move as a voluntary separation when, in fact, they have no choice in the matter. Granting eligibility to working spouses who relocate due to PCS provides a much needed financial bridge for military families both during mandatory moves and while spouses seek suitable employment at the new location. Of the States with Active Duty Air Force bases, 12 offer full unemployment compensation to military spouses who PCS, others evaluate on a case-by-case basis, and 5 offer no unemploy-

ment compensation to PCSing spouses. DOD, through the quality-of-life liaisons, is working with senior military leadership to educate State legislators on the need to promote legislation that will support full unemployment benefits for PCSing military spouses.

Differing licensing requirements can limit advancement or deter re-entry into the workforce at a new location. DOD has identified locations where there are licensing barriers and is developing policy recommendations for licensing and credentialing requirements across States for high demand, or shortage of, careers and jobs. We need to encourage states to sponsor model programs to assist military spouses and develop policies that promote timely transfer of employment, including elimination of cross-State certification barriers, and adopting high quality alternative certifications when possible.

To assist spouses in the employment process, the Air Force Spouse Employment Program provides consultation and resources to help spouses quickly reenter the job market at new locations. A&FRC staff provide information and referral at both the losing and gaining installations to prepare spouses for each new job search. Staff network with local employers and human resource professionals to insure the most up-to-date job search information is available. For young spouses, the program assists in career planning for a mobile lifestyle and provides resource information and education on virtual career potentials.

FINANCIAL MANAGEMENT

The A&FRC Personal Financial Management Program provides education and one-on-one counseling for all financial related issues from basic budgeting to consumer education to investing. Nationally certified financial consultants on staff at the A&FRCs provide mandatory financial education during basic training and at First Term Airman Centers. Information on payday lending and other interest-based loans are part of that training. Additional education opportunities are provided during transition and relocation seminars. A myriad of workshops for other audiences and the general public include investment planning and the Air Force Thrift Savings Plan.

The Air Force Aid Society is the official charity of the Air Force. In addition to emergency financial assistance, the Air Force Aid Society provides education grants for spouses and family members. They also provide over $2 million of Community Enhancement Programs yearly. As well as the phone cards for deploying members, those programs include: Bundles for Babies (financial planning for parenthood), Car Care (preventive vehicle check-up and oil changes for deployee's spouses), Wellness and Respite Care, Youth Employment Skills, Spouse Employment Training, and numerous child care programs.

COUNSELING

The A&FRC professionals offer services that provide information, foster competencies and coping skills, and offer consultation and assistance that help airmen and their families deal with the competing demands of the Expeditionary military mission and family responsibilities. Additional services offered enhance the well-being and readiness of airmen and family members and include personal and family readiness counseling, financial planning and management, emergency financial assistance, spouse career planning and development, and transition and relocation assistance.

To help ensure they are prepared, all deployed airmen are required to attend pre-deployment counseling. Spouses are strongly encouraged to attend. These one-on-one or group sessions are focused on personal planning, combat stress education and prevention, dealing with separation, children's issues and community resource access. A&FRCs also provide one-on-one and small group consultation as requested for airmen, spouses, and families during the entire redeployment process. In addition, many installations, through combined efforts of A&FRCs, Chaplains, and Family Member Programs, offer day-long or weekend retreats and other events as part of redeployment for families and couples.

REINTEGRATION PROGRAMS

Reintegration and redeployment support begins for airmen while in the area of responsibility when chaplains or mental health staff provide initial information and resources and airmen complete a post-deployment health assessment. Families can begin reintegration planning by working within spouse support groups and with A&FR staff focusing on developing communication skills and realistic expectations for the reunion process and homecoming. At home station airmen complete formal

redeployment processing and take advantage of programs and services to help them reconnect with family workplace, and community.

The need for an airman and family readiness presence in the AOR has long been a subject of discussion. As a pilot program we have deployed two members, one civilian and one military, for a period of 120 days to Al Udeid AB, Qatar. Their focus is on deployment support issues, reintegration, connectivity with families back home, Air Force Aid Society issues and relationship building. They work in close concert with chaplains and life skills to provide reintegration services to assigned personnel, as well as to personnel returning from Iraq and processing through Al Udeid. Significant work will also be done in the area of personal financial management—both one-on-one counseling and classroom instructions—and in other areas such as Transition, Relocation, Employment Assistance counseling and skill building. The positive impact of this initiative cannot be overemphasized. Not only will we be able to assist our airmen and their families with common deployment issues, we will also provide a significant resource to deployed leadership and airmen by providing standard A&FRC support in a myriad of areas where assistance is needed even at a deployed location. Our presence will be a force multiplier and, ultimately lessen the workload on A&FRCs Air Force-wide and facilitate a smooth transition back to home station for our deployed airmen.

AIR FORCE SURVIVOR ASSISTANCE PROGRAM AND PALACE HELPING AIRMEN RECOVER TOGETHER

The Air Force Survivor Assistance Program aims to provide the best possible individual service to airmen who are seriously wounded, injured, or ill and families who have lost a loved one. The heart of this program is the family liaison officer (FLO) who is assigned to each patient for the duration of their need. The FLO serves as a single point of contact between the family and the numerous helping agencies. Our FLOs assist the family in arranging transportation, child care, or even care for a family pet. They do whatever is needed for as long as needed to help reduce the stress on the airmen and families during this difficult time.

When an airman is wounded, ill, or injured in the war zone the Survivor Assistance Program swings into action. Within hours, we begin tracking medical status and evacuation plans to regional medical facilities or back to the United States for treatment. At each stop along the way we ensure a FLO is there to meet the airman and assist with any needs he or she may have. This often includes arranging local transportation and accommodations for family members, working through required paperwork, as well as being a friendly face for the airman. When families travel to visit their seriously wounded or injured relative in a strange town, the FLO is there to provide needed assistance. The FLO is not expected to be the expert in each area, but is trained to find the right answers for the families he or she is working for. Our FLOs provide a critical resource to deal with the unfamiliar routine of the recovery process and prevent the airman from being lost in the bureaucracy.

Our service reaches worldwide to ensure all of our wounded, injured and ill members are equally well cared for. For example, then Staff Sergeant Israel Del Toro was badly burned as the result of an IED attack in Afghanistan. He was in intensive care and in a coma at Brooke Army Medical Center in San Antonio, TX, and remained in that condition for 4 months. In the meantime, his wife and family needed to be relocated from Italy, where Sergeant Del Toro was stationed. His wife was not a U.S. citizen and her application for registration, which had been filed at the U.S. Embassy in Italy, could not be located. In keeping with the motto of "whatever the family needs," the FLO worked with the State Department to locate immigration paperwork for the spouse, worked to process her application, made housing arrangements for the family, and provided temporary lodging for other relatives. The FLO also secured permanent housing for the family on Randolph Air Force Base, arranged the shipment of their household goods, organized a crew to assist placing their furniture in their new home, and picked up their car from the port. In addition, the FLO retrieved the family dog from the airport, enrolled the spouse in driver education and English classes, and arranged transportation for hospital visits, shopping trips and many other needs. Sergeant Del Toro's story illustrates how important the FLO can be to a family and is typical of the dedication and devotion our Air Force FLOs exhibit when they are taking care of one of their own.

Unfortunately, the extent of some injuries does not allow our wounded heroes to remain on Active Duty status. We have taken steps to alleviate many concerns these brave warriors have regarding their future careers after they suffer debilitating injuries. The Air Force began the Palace Helping Airmen Recover Together (HART) program a few years ago to provide long-term case management assistance to severely wounded Air Force members who are not able to remain on active duty. Like

the FLO, the Palace HART program assigns a Community Readiness Coordinator (CRC) when servicemember casualty notification is made. The CRC works closely with the FLO to ensure the combat related injured or ill servicemember and their family receives complete information and entitlements. Our CRCs provide these airmen and their families with individual transition, employment, relocation, financial, and other forms of assistance, and ensure Palace HART members and their families are referred to the correct benefit agencies for assistance. Additionally, the CRCs advocate for these members with government and civilian agencies to ensure they are making a successful transition to civilian life. We have made a commitment to follow-up on our medically separated or retired wounded members for a period of 5 years. This will help ensure they are receiving the assistance they deserve for the sacrifices they made for all Americans.

We continue to work through the Services, the Department of Veterans Affairs (VA), and other agencies, both governmental and nonprofit, to ensure a seamless transition from Active Duty service and the military medical system to their communities and VA and local medical services. Some medically separated or retired members do not desire continued employment with the Air Force. However, these men and women in uniform have much to offer their communities. The Air Force will keep its commitment to these members and their families.

I am extremely proud of the hard work and dedication our personnel put forth daily to not only prepare our airmen for deployment but also ensure we are supporting their families before, during and after. The stories and insights I've shared with you today demonstrate that our professionals never forget the importance of what we are charged with accomplishing. Through innovative systems and programs, the hard work of our dedicated personnel, and the support of the community, we continue to provide critical mission capability for our commanders and vital support for our members and their families. The entire Air Force support team makes our mission, and therefore the Air Force mission, happen every day all over the world. We recognize this would not be possible without tremendous support from the Readiness and Management Support and Personnel Subcommittees. We thank you and look forward to working with you as we press forward in helping to sustain America's Air Force.

Senator BEN NELSON. Thank you, General Brady.

Senator Akaka, I think I'd like to have you start with your questions first.

Senator AKAKA. Thank you very much, Mr. Chairman.

I would like to ask some questions about cost-saving measures with the Army. As I mentioned in my opening statement, earlier this week the Army announced it was beginning a series of cost-saving measures to deal with the needed costs of plus-up of forces in Iraq until additional supplemental funding is enacted. The Army took similar measures last year, when a supplemental was not enacted until mid-June.

The Notice to Congress we received 2 days ago stated that the Army would ensure, "uninterrupted support to the families of our deployed soldiers." This could be read in two ways. Mr. McLaurin, is the Army position that these belt-tightening measures will exempt only family support programs for deployed soldiers, or does the Army intend to exempt family support programs for all Army families from funding cuts and restrictions?

Mr. MCLAURIN. Senator Akaka, it is my understanding that, in fact, we are exempting the family support programs. As I think everyone understands and appreciates, all of our force supports the global war on terrorism, and it's just a question of when, and not, particularly now, they're going to be deployed. It is almost impossible, in my view, to maintain an effective family support readiness program if you have to ratchet it up and down, depending on who is involved with it. Those programs need to be there for all our soldiers and their families all of the time.

Senator AKAKA. I'm concerned that the DOD, in particular the Army, is developing a habit of making major changes in force structure and basing without adequate planning. We have seen this in the so-called modular conversion of brigades and the relocation of forces from overseas. We are seeing it again in the Army and Marine Corps grow-the-force proposals before us now. At best, facilities such as schools and housing may be ready just in time, but the DOD now seems to view the use of temporary facilities as normal and even preferable to taking time to build permanent facilities and new housing before the troops arrive.

Mr. McLaurin, what input does the family support, human resources, and community has the Army planned for such actions? Are the Army's plans based entirely on operational needs, or is any consideration given to the impact on families? Can you give us an example of how any of the basing and force structure plans I just mentioned was changed to take account of family considerations? Finally, did your office attempt to put family considerations on the table inside the Army?

Mr. MCLAURIN. Sir, those family considerations are, and have been, on the table for quite some time. Both the previous, and now the current, Chief of Staff of the Army are very family-oriented, and they actually personally ensure that those items are taken into consideration.

I cannot give you a specific example, as you request. However, I can assure you that, from the Installation Management Command CG to the G–4 of the Army and the G–1 of the Army, as well as the Family and Morale Welfare and Recreation Command representatives, all have their voices heard. When the considerations were given to what the requirements were for the new brigades, for example, there is a specific component in there for quality-of-life programs. So, they are, in fact, taken into consideration.

Senator AKAKA. My final question, Mr. Chairman.

I understand that the Services do provide some family assistance to the National Guard and Reserves. However, what I've noticed is that this support tends to be in the form of brochures, pamphlets, or Web sites. What method, or methods, are being used by the DOD and Services to ensure that Active Duty personnel, National Guard, and Reserves know about this information. For instance, it is my understanding that some families are unaware that there are programs and organizations that may be of assistance to them as their servicemember is deployed, even though there are these informational documents and Web sites available.

Mr. MCLAURIN. Sir, I can answer for the Army, and I'm sure my colleagues here can answer for the other Services. We make a very concerted effort to ensure that the Reserve components are included in our planning. The Integrated Multicomponent Family Support Network that is being put together now has representatives from both the Reserve and the Guard on it to ensure, in fact, that not only are they part of the planning process, but the goodness that they offer, because they have very good robust programs, themselves, out there, and they can actually reach out to the various States who have individualized programs and find the best practices out there. Hopefully we can incorporate them into the overall Army support. Because, after all, sir, we are one Army.

Senator AKAKA. Thank you for your responses.

Mr. Chairman?

Senator BEN NELSON. Thank you, Senator Akaka.

Secretary Dominguez, an August 2006 DOD report identified several types of lending practices it considered predatory. One is the military installment loan. Now, DOD asked for legislative authority to regulate predatory lending practices that target military personnel and their families, and Congress gave DOD that authority. DOD has just published draft regulations implementing this authority. However, these draft regulations will still permit military installment loans. So, my question is fairly simple. Why do the DOD draft regulations allow military installment loans, a practice that DOD has described previously as predatory?

Mr. DOMINGUEZ. Sir, we, in compliance with the legislation, consulted with the Federal agencies that regulate the financial industry, and, with them, drafted regulations which are in the Federal Register now for comment. So, we're in the process of receiving those comments and considering them.

It's important to understand that in the regulations we drafted, it also put the issue of predatory lending and predatory practice on the agenda for oversight by the Federal agencies that have regulatory oversight, so this is now one of the things they must check, and will check, in the industries that they regulate. It allows for us to go back and tighten the regulations if we miss something or if behavior out there warrants it. We had to walk a pretty fine line to try and preclude people exploiting servicemembers, at the same time allow and enable the financial services industry to offer products that were of use to members of the Armed Forces and the wider consumer community. There are places where that's a fine line to walk, and we tried to strike that balance.

The bottom line is, the regulations are still amendable to change, and we designed into the regulatory process our ability to go back and tighten a hole if the behavior and financial management of the financial services industry warrants it.

Senator BEN NELSON. Well, I understand that, but doesn't it seem a bit inconsistent to identify installment loans as a predatory practice, or a practice to probably avoid for your own financial security, and yet, you're treating them as okay? I guess maybe I'm still confused. I know what your authority is, and I know what regulatory bodies try to work with it, as well—banking regulations, insurance regulations on insurance products. But what did the DOD find out about installment loans, that they didn't know when they thought they were bad?

Mr. DOMINGUEZ. Right. Sir, I'll take that one for the record, and get back to you on that.

[The information referred to follows:]

Prior to engaging in drafting the regulation, the Department requested input from the public on the statute. Trade associations and financial institutions advised that the regulation needed to be clear concerning when the provisions of the statute applied and how to identify the covered borrower. During our consultation with the Federal Regulatory Agencies, they reiterated the need for "clear lines" around definitions of covered consumer credit and the impacted creditors, or the Department risk unintended consequences that could negatively impact favorable financial products for servicemembers and their families.

The initial version of the regulation has focused on credit products that have, in general practice, terms that can be detrimental to military borrowers. There are in-

stallment loans with favorable terms and some with terms that can increase the interest rate well beyond the limits prescribed by 10 United States Code § 987. Isolating these detrimental credit products without impeding the availability of favorable installment loans was of central concern in developing the first iteration of the regulation. No sufficiently succinct definition could be developed for "military installment" loans that did not also include other installment loan companies.

Including installment loans as covered credit required all financial institutions to accomplish several additional actions that could cause them to limit their credit offerings to military consumers:

- Identify the military borrower. The Department is working on the first iteration of the process to identify covered borrowers. Experience will tell us where we may have problems associated with the proposed process.
- Limits on refinancing. This would create several unintended consequences for military borrowers seeking consolidation loans and favorable terms through refinancing.
- Limits on use of deposits, savings, allotments, and electronic funds transfers. Military borrowers could lose favorable loan conditions as a result of these restrictions.

The Department's intent is to balance protections with access to favorable credit. The protections posed in the statute can assist servicemembers, if applied prudently. The first iteration of the regulation applies these protections to forms of credit that have proven to be accessed by servicemembers who need forms of financial assistance other than high cost short term loans to resolve their financial problems. These loans can be succinctly defined in order to preclude potential unintended consequences.

The Department will continue to pursue protections for servicemembers and their families through surveillance of the marketplace, asking for feedback from counselors, and through surveys. This review will provide evidence of how best to apply the protections in the statute to problematic credit products.

Additionally, the Department will continue to work with State and Federal regulatory agencies to ensure that other existing protections are applied to negative circumstances experienced by servicemembers and their families. Situations where installment companies exceed state usury caps can be brought to the applicable state agencies for review and action.

Through a combination of the Department of Defense regulation and assistance from State and Federal regulators, the Department will continue to pursue appropriate protections for servicemembers and their families.

Senator BEN NELSON. I don't want to burn up all of our time, but I appreciate it.

Mr. DOMINGUEZ. All right.

Senator BEN NELSON. I'm not trying to put you on the spot.

Mr. DOMINGUEZ. No, that's quite all right, sir.

Senator BEN NELSON. Okay.

Mr. McLaurin, the Secretary of Defense recently announced this extension of service for Iraq and Afghanistan. Can you tell me how the families were notified of the decision? Were they told before the Secretary of Defense announced it in a press conference? Just let me know exactly how they were informed.

Mr. MCLAURIN. Sir, it's my understanding that they——

Senator BEN NELSON. I'm sure they'll tell me, when they get here, but I just wanted to——

Mr. MCLAURIN. I have no doubt whatsoever, sir. [Laughter.]

Senator BEN NELSON. Yes.

Mr. MCLAURIN. To my knowledge, I don't believe that they were informed beforehand. I know that afterwards there was communication directly with the commanders in the field. I would presume, although I do not know and I would not want to misstate, that the commanders in the field were the ones that informed them. However, the news networks are very good, so it would not surprise me if they did not learn from the news sources before they actually learned from the unit commanders.

Senator BEN NELSON. They are very good. Either that or we're very bad.

Mr. MCLAURIN. Sir, there are two ways to look at that.

Senator BEN NELSON. General Brady and Dr. Davis, as both the Air Force and Navy reduce the size of your Active and Reserve Forces, airmen and sailors will face unique stress as their military careers come to an end much earlier than many of them expected or hoped would happen. What programs do you have in the Air Force and Navy to address the needs that this early-out has created?

General BRADY. Go ahead, ma'am.

Dr. DAVIS. One of the things we're doing, Senator, is accelerating the participation of the members in the Transition Assistance Program (TAP) that we have now available for them, so they get career counseling, they get financial advice, they get housing, they get job placement support, resume, et cetera, et cetera, to help them. Also, for those who might be Navy personnel who are wounded, we have special relations with the Department of Labor and with employers, such as Northrop Grumman, to make sure that we are giving them every opportunity to develop skills, have the access to the employment and training that they need, and then to be able to be placed in a partnership with an industry like Northrop Grumman. Or, in Cisco—we've done it—we've just established a relationship, last week, with Cisco for that type of training.

Senator BEN NELSON. Is there a follow-up to see how many of them are actually placed or find additional employment once they leave? Do we have any statistics as to——

Dr. DAVIS. We don't——

Senator BEN NELSON.—how successful——

Dr. DAVIS. I do not have those statistics yet, sir. It may be too early, but I will make sure that you have that as we move along with this, as we have the drawdown and we deliver the services to see if they're effective and what the outcome is for the individual sailor.

Senator BEN NELSON. I'd like to know how that works. There are placement programs and there are placement programs.

Dr. DAVIS. Right.

Senator BEN NELSON. So, we want to be able to evaluate it.

Dr. DAVIS. Yes, sir.

Senator BEN NELSON. General Brady, what about yours?

General BRADY. Much like Dr. Davis said, we have TAPs, as well, that provide all kinds of counseling, resume preparation, all of that sort of thing that you would expect in a transition program, which has been very effective.

Regarding our wounded, we have also committed to any of our wounded that when it is finally determined that they cannot medically stay on Active Duty, if they want to stay with us and work, they can, and several of them have. We have several of our seriously wounded airmen now serving with us as civilians, some of them in very close to the same capacity that they were on Active Duty, security forces, et cetera. So, that's been a successful program that some of our young folks that have been wounded have taken us up on.

As the personnel guy in the Air Force, I get calls from all kinds of retired generals who want to hire bright young people that are getting out. So, they're always trying to get me to put them in touch with those people. Obviously, there are Privacy Act issues there, but what we have done is, we have made sure that our young people who may be leaving, if they are willing to put their contact information on a Web site where industry can find them, we are doing that. That's working, as well. We—just like the Navy does, we have some very bright people who are leaving, and they're going to continue to serve in the civilian community, and there are employers out there who want them.

Again, we do not, either, at this point—I think it is—as Dr. Davis suggested, we don't have statistics, really, on employment. But we'll provide them as we get them.

Mr. DOMINGUEZ. Sir, if I might——

Senator BEN NELSON. Secretary?

Mr. DOMINGUEZ. One of the employers who wants these people is the DOD, and, in particular——

Senator BEN NELSON. I know, they're going from blue to green.

Mr. DOMINGUEZ. Yes, sir.

Senator BEN NELSON. I know.

Mr. DOMINGUEZ. Right. That's what I was going to mention, is that that blue-to-green option is available. The Congress provided financial incentives to do that. We have some fabulous people who want to continue to serve and want to make the Armed Forces a career, and have made the transition, and are making great contributions to the Army and the Marine Corps, and we're very grateful for their willingness to take that extra challenge.

Senator BEN NELSON. Dr. Davis, do you know about, from the Marine Corps' point of view?

Dr. DAVIS. Oh, yes, sir. I do not have the statistics on the blue-to-green effort, but I will provide those for you, sir.

[The information referred to follows:]

The total Blue-to-Green program statistics, as of May 8, 2007, are as follows:

Enlisted: Army reported 811 enlistments (Air Force: 305; Marine Corps: 79; Navy: 410; Coast Guard: 17).

Officers: Army reported 364 interservice transfers (Air Force: 229; Marine Corps: 5; Navy: 119; Coast Guard: 2; Health Professional Services: 1; Service Academy Cross Commission: 8).

Dr. DAVIS. Another employer is the civilian side of the DOD, as well as the other Federal agencies, and we're working on a program with that. Of course, as veterans, or in a veteran capacity, they get special points for employability.

Senator BEN NELSON. Sure.

Dr. DAVIS. We're also watching, sir, the effect of the drawdown on our diversity missions within the Department.

Senator BEN NELSON. Secretary Dominguez, can you get us the information from the Army, so we can have both the——

Mr. DOMINGUEZ. On the blue-to-green, sir?

Senator BEN NELSON. Blue-to-green.

Mr. DOMINGUEZ. Oh, yes, sir. We'll be able to provide the total statistics. I think the last time I looked at it, it was somewhere around 300 people had transitioned. So, what—and it's not a huge number.

Senator BEN NELSON. Okay.

Mr. MCLAURIN. I can give you——

Mr. DOMINGUEZ. Is it more than that now?

Mr. MCLAURIN.—the figures for the Army now. It's around—the last time I looked, about 320 captains and lieutenants. I personally sign off on each one of those, so I do keep track of that.

Senator BEN NELSON. Okay.

Mr. MCLAURIN. But there is a great number that have volunteered to come over to the Army, and we're proud to have them.

Senator BEN NELSON. As the transition has occurred—it is not over yet—you would expect that there would be more as you get toward the end, that they might be willing to take it, too.

Mr. MCLAURIN. Yes, sir. We welcome them.

General BRADY. For the Air Force, there is a whole range of things that people can do. Obviously, we would like for them to go to our Guard and Reserve. Some of them are going to other Government agencies. Other agencies in the Government who like people who show up on time and are drug-free and have a security clearance, are attractive to lots of Government agencies, and as well as the blue-to-green program, which several hundred of our people have taken. So, there are a range of options, including Civil Service, as was mentioned, that are available to our people.

Senator BEN NELSON. Let's see, any further questions, Senator Akaka?

Senator AKAKA. No further questions.

Senator BEN NELSON. Thank you. I appreciate it very much.

Oh, excuse me, I didn't see Senator Chambliss.

Senator Chambliss?

Senator CHAMBLISS. I was trying to be obscure over here, Mr. Chairman. [Laughter.]

Senator BEN NELSON. Sure. You were.

Senator CHAMBLISS. I just have a couple of questions.

Secretary Dominguez, the Army requires each soldier who redeploys from theater to undergo a postdeployment health reassessment 90 to 180 days after they return. These health assessments are not always done in person, but can be done over the phone and by contractors, versus a military person. This is not ideal, and allows for many conditions to be overlooked and go unreported which might surface, months or years later. Specifically related to some of the most common conditions, such as post-traumatic stress disorder (PTSD) and traumatic brain injury (TBI), it is hard, if not impossible, to diagnose those conditions over the phone. Do you believe DOD should require these assessments to be conducted in person by military personnel? How can we ensure that soldiers actually complete these health assessments? Should DOD require predeployment screening for PTSD and TBI, in an attempt to determine which personnel might be predisposed to these conditions?

Mr. DOMINGUEZ. Sir, let me start with a little bit of the facts, as I know them. We do a predeployment screening. So, that predeployment health assessment is accomplished for everyone before they go over. That's a face-to-face, nose-to-nose thing. Then they get a postdeployment assessment. So, that's—as they come back, very shortly after their return, there is that. What you're talking——

Senator CHAMBLISS. That's face-to-face.

Mr. DOMINGUEZ. To my knowledge, sir, it is face-to-face. Now, I'll have to take this for the record and get back to you on this, because it was my understanding these programs were face-to-face, that there was a human being talking to another human being and evaluating them against several criteria that are contained on that health assessment form.

[The information referred to follows:]

The Post-Deployment Health Assessment (PDHA) and the Post-Deployment Health Reassessment (PDHRA) must be completed by all servicemembers returning from deployment. Both require a trained health care provider to review the concerns identified on the questionnaire and discuss with the servicemember his or her responses, along with general physical health and mental health concerns. For the PDHA, the health care provider interview will be direct, face-to-face. For the PDHRA, 3 to 6 months later, the health care provider interview will be face-to-face, whenever possible, but it isn't always possible because of the multiple locations of the Reserve component servicemembers across the United States and territories. However, health care providers are required to contact each returning servicemember.

Another program available to both Active and Reserve component servicemembers and their families is the Mental Health Self-Assessment Program. An innovative tool in the Defense Department's "Continuum of Care Toolbox," it provides a guidepost to help direct users to the next step of care, but does not involve in-person contact with a health care provider. It offers anonymous, self-directed mental health and alcohol screening by web and phone, as well as through special events held at installations and Reserve units.

Mr. DOMINGUEZ. The one you are particularly speaking of is the one that's again, it's a postdeployment reassessment, done up to 6 months later, and it was specifically in place in order to be able to pick up those items that might take longer to mature.

Now, I think the more important issue is that the reassessments are done by someone who has the clinical skills to be able to pick it up, whether they're a military person, a Government civilian, or a contractor, as long as they are capable of understanding what's presenting themselves in this human being that they're engaged with.

It does seem to me that the face-to-face piece of this is important, and I was under the impression that that is, in fact, how that was conducted.

I do want to point out that we have deployed, recently, a self-assessment that's available to people over the Internet that's actually been used, because it's private and confidential, and it can help you understand yourself, what you're feeling, what's happening, and whether or not you need help. Then it guides you to where you can get that. That's turned out to be a tool that many of our people are using.

Senator CHAMBLISS. Yes. Well, if you will, check that, because my understanding that what you refer to is the reassessment.

Mr. DOMINGUEZ. Right.

Senator CHAMBLISS. In a number of instances, it is being done by telephone versus face to face.

Mr. DOMINGUEZ. Dr. Davis may know something more about that, sir.

Dr. DAVIS. Sir, the screening tools, themselves, can be done online or by the individual, paper-to-pencil, but they are not a diagnostic tool, they are the first screen that the individual completes so we have a continuity of record of change in behavior. So, the in-

dividual is able to identify some symptoms for themselves. As soon as anyone identifies a "yes" that would indicate they have a problem sleeping, they have a problem with loss of memory, that individual is immediately referred to a licensed, certified clinician, who then has a face-to-face meeting with them to start the process of diagnosis and treatment referral, et cetera. So, we do not rely on that as the only method for——

Senator CHAMBLISS. All right. Well, my main point is, I want to make sure we have confidence in that system and that we're not letting something slip through the cracks there. If somebody's not—I don't know how you would respond at a—somebody looking at it over the Internet. A response over the Internet might not pick it up. But I sure want to make sure that we have all the confidence in the world that's going to work and is working.

Mr. DOMINGUEZ. You were right on target with that, Senator, and the chain of command is important here, including for Guard and Reserve members—right?—so that one of the concerns of commanders is making sure you're coming to muster after your time away so that we can get eyes on you and we can talk to you. So, there's been a lot of talk in the Department about making sure we have commanders and first sergeants and whatever reaching out and talking to people after they've been deployed. Particularly important in the Guard and Reserve, where you're not coming to work every day for us. So, we share your concern there, that that's working.

I think we have reasonable confidence, but I'll get more information for you, sir.

[The information referred to follows:]

It is the Department of Defense's (DOD) policy that all servicemembers complete the Post-Deployment Health Reassessment (PDHRA) 3 to 6 months after returning from deployment using a standard questionnaire. A trained health care provider will review and discuss with the servicemember his or her responses on the PDHRA form, along with general physical health and mental health concerns. The health care provider interview will be direct, face-to-face, whenever possible, but it is not always possible because of the multiple locations of the Reserve component servicemembers across the United States and territories. However, we offer a call center to ensure that we reach those servicemembers who are unable to complete a face-to-face interview.

The DOD has implemented a Deployment Health Quality Assurance program, which soon will expand to a more thorough Force Health Protection Quality Assurance program. In this program, the Services monitor and evaluate their compliance with the policies, including the completion of the PDHRA forms and the health care provider interviews. In addition, the Force Health Protection and Readiness office monitors, reviews, and oversees the Services quality assessment programs, to include site visits. These efforts allow us to ensure that servicemembers complete the actions required by our policy. Rosters generated from individuals completing the Post Deployment Health Assessment (PDHA) are used to track compliance with completing a post deployment health assessment 3 to 6 months later.

The Department does screen for conditions that would limit deployment. More importantly, we want to screen for Traumatic Brain Injury (TBI) during the interdeployment period, not at the last minute during the predeployment assessment, to allow for adequate evaluation and treatment. Therefore, we are adding a full suite of TBI screening questions to every servicemember's annual periodic health assessment. This allows us to identify issues prior to deployments, causing less operational impact. In addition, we are adding the same TBI screening questions at the time of accession, as well as to the PDHA and the PDHRA.

The DOD issued a Deployment Limiting Mental Health Conditions Policy in November 2006 that requires screenings for mental health issues before deployment. These screenings require a medical records review and a brief predeployment inter-

view that asks the servicemember if there are conditions or concerns they might want to disclose that are not already in their medical records.

Senator CHAMBLISS. Okay.

Currently, DOD does not offer attractive enough incentives to hire the doctors and nurses they need to execute their mission, and it has an overly burdensome bureaucratic hiring and contracting process that prevents military bases from getting the military, civilian, and contract health providers they need, when they need them. My staff visited three Army hospitals in Georgia the week before Easter, and every hospital commander mentioned this as a major problem that limits their ability to treat soldiers at their posts.

Do you agree that this is a problem and that a fundamental change is necessary? What recommendations do you have for streamlining this process and providing the necessary authorities to get the personnel required? Do you believe that existing law regarding service obligations for new physicians should be changed?

Mr. DOMINGUEZ. Sir, let's see, there are many different aspects of that question, but I think Congress recently helped us with the ability to do bonuses for members of the medical profession. So, this is something we do watch pretty carefully. It is a challenge to get the physicians and nurses and these medical professionals in. Dentists are a challenge. But we do have some tools, and I think at present, it's up to us to use those aggressively. Now, we are looking at this issue right now in the Department, and haven't come to any particular conclusions on it.

With regard to hiring Federal civilians, we are excited about the prospect of conversion to the National Security Personnel System (NSPS), because that system allows us to move to market-sensitive pay. It's much more flexible, in terms of being able to pay a market rate in a specific locale for a shortage specialty. So, we're hopeful that the conversion to NSPS will actually help us with the Federal civilian side of the thing.

I've not heard any problems with our ability to get contract help. In addition to that, I think commanders of hospitals all across this country have established extraordinarily imaginative and innovative relationships with the health care network around the base to try and tap into that network through TRICARE, to be able to take advantage of health care when there is a shortfall in our internal military treatment facilities.

Senator CHAMBLISS. As I say, my staff picked up on this when they were down at Fort Benning, Fort Gordon——

Mr. DOMINGUEZ. Right.

Senator CHAMBLISS.—and Fort Stewart. So, you might touch base with those medical commanders.

Mr. DOMINGUEZ. Sure will.

I do want to make one point, this came up in a discussion of the Secretary's Independent Review Group yesterday, in their testimony over in the House, and this is an idea we've been intrigued by for a while, which is this issue of allowing medical professionals to join the Armed Services with a shorter service obligation, and not worry about being able to serve to a 20-year retirement, because, for many of them, that's not what they're after; they've already had their successful profession, and now they're seeking an

opportunity to give service back to the Nation. Our rules can preclude them from doing that. That's something that I think does need some thought, and I promise to work with you on that, Senator, to find a way to enable those patriots to help us out, where we need it.

Dr. DAVIS. Senator, the Department of the Navy's retiree council is looking at a way in which we can return medical personnel to some form of service to the country, and one of them is modeling after the Department of Health and Human Services Retiree Medical Corps, to specifically use them to augment the services we provide. But I would just—even though the bonuses and additional incentive pay for high-skilled, stressed, specializations—child psychiatry—have been very beneficial, I think it's incumbent upon all of us to look at the personnel needs that will go along with your first question about the diagnosis and sufficient treatment of the PTSD. It's lucky that the Navy's Surgeon General is heading a servicewide group with the VA to look at all mental health issues and how we can recommend to make sure that we're adequately screening, pre- and post-deployment, that we have the baselines, and that we're treating with the right number of personnel. But it is a challenge.

Senator CHAMBLISS. Clearly, one of the largest problems confronting our wounded troops returning from theater is diagnosing and treating TBI. I'm concerned that no established procedures or validation process exists for effectively diagnosing TBI. Would it be helpful for health care providers conducting post-deployment health screening to ask a list of specific questions to ascertain whether a servicemember is suffering from TBI? Or what else can DOD do to more effectively detect, monitor, and treat TBI?

Mr. DOMINGUEZ. Sir, the first item is that this is an area that will require a lot more research. We are way into the leading edge of our science and knowledge right now about TBI, and there's a lot of work that has to be done. Dr. Winkenwerder, the former Assistant Secretary of Health Affairs, initiated a lot of things, took action to get some of this underway. What he has done already is, together with the VA, he has promulgated some clinical-practice guidelines for PTSD assessments and for TBI assessments. So, those guidelines for, "Here's what you look for," have been put out in the field to physicians in both VA and the DOD to do exactly what you have said, which is to help cue them into what to look for, so they can begin to make an assessment about the potential for mild TBI and PTSD.

We have established a TBI Task Force to look at this. Then there's a Mental Health Task Force that Congress commissioned a year ago that is due out in May. This TBI Task Force is to try and coordinate and integrate all of the things we're doing across DOD and VA and other Federal agencies to make sure that the research is aligned and practices—the best practices in the current clinical practices are disseminated, and that we have a feedback loop that we know that what we are doing is effective, and we're growing and learning as we understand more about this particular injury. A lot of work to be done yet, sir.

Senator CHAMBLISS. I have had the privilege of visiting Bethesda and Walter Reed from time to time, and it seemed like every one of those soldiers, marines I talked to, has either a low-grade or se-

vere TBI, and, when you hear how they got injured, it's pretty easy to understand why.

I would just caution us to make sure that, particularly on this reassessment online that we make sure we're doing everything possible there to plug in the right kinds of questions for symptoms on late-developing TBI.

Mr. DOMINGUEZ. Yes, indeed. Now, one of the things that we're also doing is trying to capture and record in theater when you are subject to an event that might have produced TBI. That is a hard thing to do, and the battlefield is chaotic, but we're trying to implement procedures now. So, we know that Private Dominguez was subjected to a blast. We'll know if he had a concussion or if he was knocked out or if they just rang his bell for a while, and now—he's back into the fight. So, we're trying to capture that and document that stuff about the servicemember, so that goes back and then gets incorporated into the medical record. Tough challenge, but it's one of those things we need to do, because that's a trigger or a cue to the health professionals, say, "Okay, this person is at risk for, maybe, demonstrating some of these symptoms for—so, get your antennae out here and watch this person."

Senator CHAMBLISS. Thank you, Mr. Chairman.

Senator BEN NELSON. Thank you, Senator Chambliss.

Secretary Dominguez, Senator Ensign was unable to be here because of a prior commitment. He has asked that a couple of his questions be submitted for the record, and they'll be sent to you. One is on the funding for schools. He notes that the sustainment, restoration, and modernization of schools has fallen short by up to 36 percent of the goals established by DOD, and obviously he's asking why. On military construction funding for schools, the actual funding for the military construction, as opposed to the modernization, has decreased by over 60 percent, from $99.4 million in 2006 to $37.9 million in the budget request for fiscal 2008. So, these will be submitted to you for a response.

Mr. DOMINGUEZ. Be glad to answer those, Senator.

Senator BEN NELSON. Sure.

I want to thank the panel for your indulgence today, and for your questions. Dr. Dominguez, it seems like you were in the barrel for a little while this afternoon, but I'm sure you'll acquit yourself very well on these answers that you submit for the record.

Mr. DOMINGUEZ. Oh, yes, sir. I look forward to it. I really appreciate the opportunity to be here, sir.

Senator BEN NELSON. Okay, thank you. Thank you, General.

Now, our third panel, of spouses, consists of Joyce Raezer, who is the recently promoted chief operating officer of the NMFA. Congratulations, Ms. Raezer, on your promotion; I'm delighted that you're willing to be here, testify today, even though your role in the NMFA has changed. The NMFA is one of the most active organizations focused on the needs of military families, and we give great credence to your views, so we're looking forward to that.

We also have several spouses of servicemembers, who have a great deal of experience in dealing with the kinds of issues our military families are facing today.

Connie McDonald is an Army spouse of 27 years, and currently lives at Fort Hood, TX. The McDonalds have two children. Connie

has served as a volunteer and as a staff member with several ACS programs, including Army Family Action Plan, Army Family Teambuilding, and Family Readiness Groups. Her husband is a brigadier general on his second deployment to Iraq.

Welcome.

Mrs. MCDONALD. Thank you.

Senator BEN NELSON. Paula Sumrall is the wife of an Alabama National Guardsman who currently serves as the assistant to the Chairman of the Joint Chiefs of Staff for National Guard matters. Ms. Sumrall brings a career's worth of experience as a National Guard family member.

Welcome.

Mrs. Launa—is that right?

Mrs. HALL. That's right.

Senator BEN NELSON. Launa Hall grew up as a family member in the Air Force, and is married to an Air Force officer currently assigned to the Pentagon. Mrs. Hall is an active family member volunteer. Her husband has just returned from his second deployment, so she'll have some, I think, really current experiences that she may be willing to share with us.

Mrs. Mary Piacentini?

Mrs. PIACENTINI. Piacentini.

Senator BEN NELSON.—Piacentini—Piacentini?

Mrs. PIACENTINI. Piacentini.

Senator BEN NELSON. Welcome, Mary. [Laughter.]

She's the spouse of an Army Reserve Command sergeant major, and is also the mother of a servicemember. She'll be able to give us a great deal of perspective on the issue facing Army Reserve families, based on her long association with the Army Reserve, at many levels.

Now, Ms. Raezer has submitted a prepared statement on behalf of the NMFA, and it'll be included in the record. In light of their volunteer status, we didn't ask the other witnesses to submit written statements, but if anyone has a written statement, you might mention that so it can be submitted for the record.

Mrs. McDonald, you're first up.

STATEMENT OF CONNIE MCDONALD, SPOUSE OF AN ARMY SERVICEMEMBER

Mrs. MCDONALD. Thank you very much, Senator Nelson. It's a privilege to be here, and Senator Akaka, I appreciate your interest in Army families, for sure.

Thanks for the introduction. I'm going to add a little caveat, that, in that 27 years, that's consisted of 17 moves to 10 different Army installations, 3 outside of the United States. Currently, Fort Hood is home.

But I will tell you, amongst all of those changes, one thing hasn't changed, and that's—the Army is people. How the Army cares for its people has remained a top priority.

You've heard, from previous testimony, that the Army has an extensive array of support and services, refined over years, as a result of lessons learned from prior deployments and other family separations. Our Army family programs work very effectively and remain a mainstay in the family support network.

One of the most important sources of support for families comes from the imaginative ideas of family members working with supportive garrison command staffs at installations across the Army. ACS staffs at each installation provide training to support family readiness groups, rear detachment commanders. From deployment briefings to reunion training, ACS programs and services assist family readiness groups and rear detachment commanders in their support to families.

The addition of the family readiness support assistance has been crucial in helping to alleviate the strain on these dedicated folks. The power of this collective creative strength combined with the willingness to serve others is making a positive difference each and every day. Family members and community staff are readily assisting each other and families during this difficult and challenging time.

I do want to reiterate that Mr. McLaurin's testimony spoke to many of the programs that we have within the ACS and outside of that, as well. One, in particular, that he spoke of was the Army Family Action Plan, and that's where I have a lot of background. It's a proponent for change and progress, and that proponent is talked—it's interesting, in the testimonies today, to hear that some of the things that—questions that you all have asked actually have come up through the Army Family Action Plan. One of those examples is, our last conference, we included the—our great heroes, the American wounded warriors, and in—the first issue that came up as a priority for our delegation—and our delegation comes across the Army and represents the demographics of our Army family is—the TBI rehabilitation program was our number-one issue. That was—Army, delegationwide, considers this an important issue.

Among those other: traumatic servicemembers group life insurance, annual supplement, a copay for replacement parts for our wounded soldiers who have lost their limbs. There is also an issue on convicted sex-offender registry for outside the continental United States, specifically. Our list of strengths and challenges we do at the conference, where we ask for our constituency to turn around and say what is good now and what is hard now. We have a list of those, as well, and we have that in the packet for you. Indeed, we have a written statement for you that I have, on my impressions on how the programs are going.

I do want to tell you that our process in the Army Family Action Plan starts at the installation, but comes all the way up to a General Officer Steering Committee that is chaired by our Vice Chief of Staff of the Army. In that process, it's always interesting to see the passion that comes up with prioritization. It's not asking for the moon. It's, "This is what we'd like most." Each conference also identifies four most valuable services provided by the Army, the most critical issues that are currently being worked, again, the strengths and weaknesses of what we've been going through as deployments. This information is given to the commanders as a snapshot of how things are right now. What does it look like? A dipstick to, say, a customer's comment card. That information is used, and it's brought to the forefront.

Because this program is set up the way it is, it's one of the few programs—and I think maybe the Army may be unique in this—

that it's a grassroots program, where the customer talks directly to senior leadership, and senior leadership responds back. That's a wonderful program, and we're very thrilled with it, and glad to hear that a lot of the things that you have concerns about, we also have involved in that program.

It's recognized across the Army as a vital program for leadership. The folks who are the constituents of it know that they have a voice to leadership, and that is important to us. So, again, in your packet, there's some information about that program.

One of the other programs we have, that meets twice yearly, is the Army Family Readiness Advisory Council, or AFRAC. It's consisting of senior spouses to include the spouse of the Chief of Staff of the Army and the Vice Chief of Staff of the Army, spouses of Army commands and command sergeants major spouses, Reserve component included. That program does a lot of looking into how are we doing and getting back feedback. It's a two-way street.

Again, I want to reiterate Mr. McLaurin's testimony about the many programs we have, and it is an impressive list. But one thing I would like to let you know is that, although Army families are resilient and have a great history of getting things done, we can't do it alone, and we shouldn't have to. Army family programs enhance that resiliency by providing care, support, training, and meaningful opportunities for social bonding. There must be a sufficient infrastructure, independent of volunteer support, properly resourced to deliver consistent quality services to all components in a seamless manner.

Our families and family program staffs are doing heroes' work, and they are tired. Continued support from our country is imperative. Every day, I see the toll this operational tempo is taking on families and supporting staff. I have concern about compassion fatigue among our families and our invaluable family program staff members. Everyone's heart is with us, and family program staffs continue to do what they can with what is available, but their fight should be for our soldiers and our families, not for resources.

I did want to let you know that there are a lot of community supports. Senator Akaka, you had questioned about that. I will tell you, the great town of Killeen has a grouping of programs called "Beyond the Yellow Ribbon." One of the things that is a great initiative that they've taken on, that is very useful, is the local water company, on their bill every month, sends out the ACS programs that are available to Army families. That was just an initiative on their part. The great town of Lawton, Oklahoma, is a phenomenal support for the military families at Fort Sill, as well.

So, there's tremendous community resources out there, and I do believe that our families do want to be a part of the community, as well as part of the installation.

I appreciate your interest in Army families, and I look forward to any questions you may have.

[The prepared statement of Mrs. McDonald follows:]

PREPARED STATEMENT BY CONNIE MCDONALD

Good afternoon, I'm Connie McDonald, the wife of BG Mark McDonald who is currently with III Corps serving his second tour in Iraq. Today I am here to talk with you as a military spouse of 27 years, and I appreciate the opportunity to share with you what I think are some great programs the Army has put in place to support

families. As a military spouse I have moved 17 times, calling 10 different Army installations "home", right now "home" is Fort Hood, TX. Our two children have grown up in the Army culture during a time of dramatic change for this country and the world. But over the years there is one thing that has not changed—and that is—that the Army is people—and how the Army cares for its people remains a top priority.

You have heard from previous testimony that the Army has an extensive array of support and services, refined over years as a result of lessons learned from prior deployments and other family separations. Army family programs work very effectively and remain a mainstay in the family support network.

One of the most important sources of support for families comes from the imaginative ideas of family members working with supportive garrison commanders' staff at installations across the Army. Army Community Service staff at each installation provides training to support Family Readiness Groups, and Rear Detachment Commanders. From deployment briefings to reunion training, ACS programs and services assist FRGs and Rear Detachment Commanders in their support to families. The addition of the Family Readiness Support Assistants has been crucial in helping to alleviate the strain on these dedicated folks. The power of this collective creative strength, combined with a willingness to serve others, is making a positive difference each day. Family members and community staff are readily assisting each other and families during this difficult, challenging time.

I would like to tell you about a program I consider to be one of the strongest tools a commander has at his or her disposal, I'd like to take a few minutes to tell you about this unique program—The Army Family Action Plan (AFAP). The AFAP began as the result of spouses who believed that the voice of the Army family needed a platform to be heard by senior leadership—these spouses called together people from various demographic groups and solicited their views regarding the most significant issues affecting the well-being of Army families. Quickly this grew to include soldiers, Active as well as Reserve component, Department of the Army Civilians, and retirees. Its 24-year history of success is a testament to the commitment the Army has made to its family. No other service has a process like this—where the grassroots can identify a concern and recommend a solution directly to leadership for resolution—a customer comment card, if you will.

How does the Army do this? With dedicated staff and a host of volunteers the process begins at the installation where forums are held to identify issues and concerns affecting standards of living on the installation. Delegates, who are selected as a cross section of the installation's population, gather in workgroups to discuss and then prioritize issues for leadership to resolve. Issues cross a variety of categories from medical and dental concerns, pay and entitlements, to child care and family support. Not surprisingly, about 85 percent of the issues are truly local installation issues for the garrison commander and his/her staff to "fix".

When issues are determined to be out of the local resources ability to resolve, they are sent to the next level where Army Commands, Army Service Subordinate Commands and Direct Reporting Units convene forums to discuss and prioritize issues that will then be submitted to Headquarters Department of Army for the annual worldwide symposium. Again, the workgroup discussion and prioritization process is repeated adhering to the delegate model used at the installations. Those issues are presented to the most senior Army leadership for resolution. Each year, the conference pursues resolution of critical quality of life issues. In this testimony for the record, a chart showing the diversity of these issues is available for you. It is impressive. The headquarters monitors the issues and their progress through a strict protocol of regular guidance, direction, and leadership approval at semi-annual General Officer Steering Committee meetings. Itself a proponent for change and progress, AFAP also recognizes that as the operational tempo of the Army changes, there is a need to adapt programs and policies to continue to meet the needs of our soldiers and families. Two examples of that flexibility are: 1) Outside the continental United States commanders may submit concerns directly to the General Officer Steering Committee for consideration; 2) at the November 2006 HQ conference, a Wounded Warrior workgroup was added to address concerns/issues impacting their quality of life. Each conference also asks delegates to identify the four most valuable services provided by the Army, the most critical issues currently being worked from earlier conferences and strengths and challenges associated with deployment and family support. This information is used to give commanders a "snap shot" of what is important to his constituents and allows commanders to have real-time information the "people's perspective" of adjustments and improvements that will increase recruitment, retention, and work-life satisfaction.

AFAP is recognized and supported by local commands as well as senior Army leadership and is the force behind hundreds of legislative, regulatory and policy

changes, and program and service improvements. Our soldiers, retirees, civilians, and families know AFAP is their "voice" in the Army's future. Leadership has embraced this innovative program.

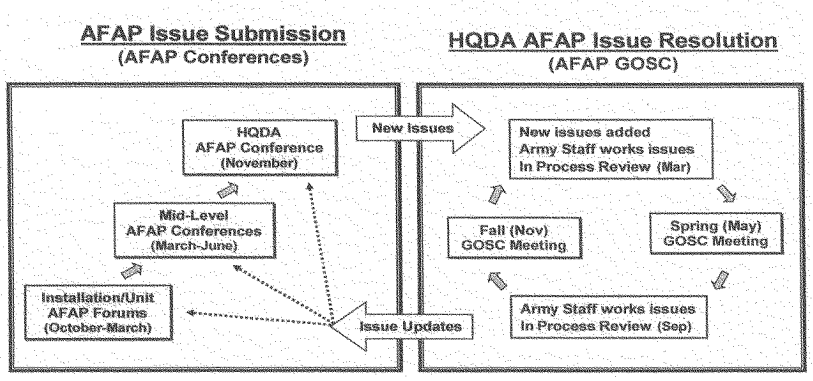
A second program the Army has initiated to obtain input from families is the Army Family Readiness Advisory Council (AFRAC) which meets twice yearly. The AFRAC is co-chaired by the spouse of the Chief of Staff and Vice Chief of Staff of the Army. Membership is comprised of the following: spouses of Army Command Deputy Commanders/Chief of Staff; Command Sergeants Major; Director, Army National Guard and Chief, Army Reserve; Army National Guard and Army Reserve Command Sergeants Major, rotating Army Service Subordinate and Direct Reporting Units reps (Commander, Command Sergeants Major Spouses); rotating Army 2-star Joint Command representatives (Commander and Command Sergeant Major Spouse); SMA (DA-level) representative, and select volunteers. The AFRAC members look at issues that impact quality of life from a strategic and global Army-wide perspective. Advise senior leadership on the direction of Army Family Programs, assess and recommend solutions for evolving issues; establish short and long-range goals and objectives, serve as advocates for family programs. The council serves to enhance soldier readiness, increase program effectiveness, and connect families to the Army.

Although Army families are resilient, and have a history of getting things done, we can't do it alone and shouldn't have to. Army family programs enhance that resiliency by providing care, support, training, and meaningful opportunities for social bonding. There must be sufficient infrastructure, independent of volunteer support, properly resourced to deliver consistent quality services to all components in a seamless manner.

Our families and family program staffs are doing "heroes work" and they are tired. Continued support from our country is imperative. Every day I see the toll this operation tempo is taking on families and supporting staff. I have concerns about compassion fatigue among our families and our invaluable family program staffs. Everyone's heart is still with us and family program staffs continue to do what they can with what is available—but their fight should be for our soldiers and Army families, not for resources.

This concludes my prepared testimony, I am happy to address your questions.

AFAP: Two Processes Working in Tandem



The AFAP is an ongoing, dynamic process, addressing the most significant issues that affect standards of living -- solicited directly from all representative members of the Army family, with feedback on progress at all levels. AFAP is a proven process, with 24 years of tangible successes, not only for the Army but for the DoD. The squares on the left depict the grassroots AFAP process -- Issues surface at installation and/or unit level AFAP Forums & are staffed with local commander's staff. When issues cannot be resolved at installation level they are submitted to their IMA Region who forwards the issues to the appropriate mid-level for consideration.

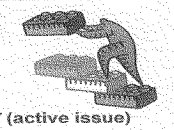
MID-LEVEL conference attendees are selected by IMA Region Program Managers. MID-LEVEL and IMCOM Region staffs prepare information papers for issues and serve as subject matter experts at MID-LEVEL conferences. MID-LEVEL conferences follow the same issue evaluation protocol as at the installation and HQDA levels. MID-LEVEL Commanders review and approve issues to be submitted to the worldwide AFAP Conference in November. Following DA AFAP conference, FMWRC returns all issues to the submitting MID-LEVEL with a disposition sheet for the IMA Region to return to their installations as part of the feedback mechanism.

The right side of the slide shows what happens when new conference issues join the existing active AFAP issues. This protocol takes place at installation and HQDA levels. At installations the Garrison or Installation Commander assigns the new issues to their staff for resolution. A review process determines those issues for the commander's steering committee. The cycle repeats twice a year.

HQDA issues are assigned by the Director of the Army Staff (DAS) to Army staff agencies to work toward resolution. Twice a year (Mar & Sep) the FMWRC commander convenes an IPR to review the status of active issues to be forwarded to the AFAP

GOSC meetings (May and Nov) for senior-level review and direction. The cycle continues into the fall GOSC meeting which is held during the week of the worldwide AFAP Conference.

Diversity of AFAP Issues



- ***High visibility/wide impact***
  - ✓ TRICARE for Life – *Issue 402*
  - ✓ Military pay table reform – *Issue 461*
  - ✓ Distribution of MGIB benefits for dependents – *Issue 497* (active issue)
- ***Low cost issues with a high quality of life return***
  - ✓ Online (AKO) access to DEERS data – *Issue 496*
  - ✓ Family Care Plan Provider access to installations – *Issue 519*
  - ✓ Creation of Family Readiness Groups – *Issue 74*
- ***Timely/relevant***
  - ✓ Wounded Soldier updates – *Issue 595* (active issue)
  - ✓ Expansion of eArmyU – *Issue 561*
  - ✓ Extended eligibility for surviving spouses educational benefits – *Issue 542*
- ***Issues that create parallels to civilian standards of living***
  - ✓ Re-engineering of household goods program – *Issue 307* (active issue)
  - ✓ Audio/Video surveillance in childcare centers – *Issue 447* (active issue)
  - ✓ Paternity leave – *Issue 578* (active issue)
- ***Costly, impractical, unsupported issues are declared unattainable***
  - ✓ Reimbursement of rental car for OCONUS PCS – Lack of support!
  - ✓ Retirement Dislocation Allowance – Costly!
  - ✓ Combination of SGLI and VGLI under one policy – Unrealistic!

High visibility/wide impact

TRICARE for Life – (1995-2002)

– In FY01, Congress authorized TRICARE for Life -- which extended TRICARE eligibility to all military Medicare eligibles enrolled in Medicare Part B. TRICARE is the second payer to Medicare in the US and first payer overseas for eligibles enrolled in Medicare Part B.

Military Pay Table Reform – (1999-2004)

– The 2002 9th Quadrennial Review of Military Compensation stated that mid-grade and senior enlisted personnel were inadequately compensated. Targeted pay raises in FY03 and FY04 and FY01-FY04 pay raises (over 4% annually) brought NCO salaries to benchmarked levels.

Distribution of MGIB Benefits for Dependents (Active issue; entered AFAP 2002)

– The Army MGIB Transferability Pilot was implemented in July 2006 and allows Regular Army enlisted Soldiers serving in critical skills who have completed six years of service and reenlist for a minimum of four years to transfer MGIB benefits to their spouse. Between Jul and Nov 06, approximately 90 Soldiers transferred their MGIB benefits to their spouse.

Low cost issues with a high quality of life return

Online (AKO) Access to DEERS Data – (2002-2005)

– In 2005, an interface between AKO and DEERS allows active and reserve Soldiers and family members to check their DEERS data through AKO.

Family Care Plan Provider Access to Installations – (2002-2006)
- In Sep 05, the Office of the Provost Marshal General released a message to the field stating that commanders have authority to issue temporary car decals and identification cards to caregivers. With the decal and identification card, caregivers have access Army installations.

Creation of Family Readiness Groups – (1983-1988)
- In 1987, DA Pam 608-47 (Family Support Groups) was published -- establishing and providing operating guidelines for family support groups.

Timely/relevant

Wounded Soldier Updates – (Active issue; entered AFAP in 2006)
- Army Casualty Operations Division (COD) begins overwatch at the time of reporting and ends when the Soldier becomes an outpatient or is transferred to a VA or specialty medical center for long term care. COD has a wounded in action toll-free number for families. COD calls the next-of-kin once a day to provide medical updates and movement of a seriously injured Soldier and three times a day for a very seriously injured Soldier.

Expansion of eArmyU – (2003-2006)
- In October 2004, the Army expanded the no laptop option for eligible E4-E6 regular Army Soldiers who reenlisted for combat support/operation units. In February 2005, laptop eligibility was expanded to all eligible re-enlisting E4-E6 regular Army Soldiers.

Extended Eligibility for Surviving Spouses Educational Benefits – (1983-1988)
- Effective 1 July 2005, the surviving spouse of a service member killed on active duty has up to 20 years after the date of the member's death to use education benefits. Surviving spouses of military retirees or veterans who die of service-connected causes have 10 years after the member's death to use their education benefits.

Issues that create parallels to civilian standards of living

Re-engineering of Household Goods Program (Active issue; entered AFAP in 1991)
- The current HHG system will be replaced with the Defense Personal Property System (DPS), and the movement of all personal property throughout DOD will be awarded to contractors that have the best value traffic awards, versus just a lowest cost. Service members will be able to file claims online to the transportation service provider. Anticipated full implementation is FY08.

Audio/Video Surveillance in Childcare Centers (Active issue; entered AFAP in 1999)
- In 2000, the Army purchased and installed video surveillance systems in Child Development Centers. In 2003, comparable equipment was purchased and installed in school age sites and youth centers. The remaining requirement is funding maintenance and replacement equipment in youth centers.

Paternity Leave (Active issue; entered AFAP in 2004)
- DOD Instructions (Leave and Liberty Procedures) specifically state that administrative leave/permissive leave cannot be used following the birth of a child. Ordinary leave must be used. The 2006 National Defense Authorization Act allows up to 21 days permissive TDY for a service member who adopts a child.

Costly, impractical, unsupported issues are declared unattainable

Reimbursement of rental car for OCONUS PCS (2004-2006)
- Issue was declared unattainable in 2006. Legislative proposals addressing reimbursement for rental cars during an OCONUS PCS have not been supported by the other Services nor by the Per Diem Committee.

Retirement Dislocation Allowance (2002-2005)
- In 2005, this issue was declared unattainable. None of the other Services, Joint Staff, or OSD Comptroller supported dislocation allowance for retirees. Navy, Air Force, and the Joint Staff all stated that there was significant cost with no return on the investment.

Combination of SGLI and VGLI under one policy (2003-2006)
- In 2006, this issue was declared unattainable. The VGLI program is not subsidized like SGLI. Members who elect VGLI are frequently ineligible for insurance coverage due to health status. If the programs were combined, it is probable that all premiums would be higher.

Results of the Nov 06 AFAP Conference

- **This year: 68 issues submitted; delegate prioritized 16 issues; GOSC entered two issues**
- **Top five conference issues:**
  1. **Traumatic Brain Injury Rehabilitation Program**
  2. **Traumatic Service Members Group Life Insurance (TSGLI) Annual Supplement**
  3. **Co-Pay for Replacement Parts of Durable Medical Equipment and Prosthetics**
  4. **Convicted Sex Offender Registry OCONUS**
  5. **Retroactive TSGLI Compensation**

  AFAP Issues at http://www.MyArmyLifeToo.com
- **Top five mobilization/deployment and family support strengths and challenges:**

Strengths	Challenges
1. Military OneSource	1. Length and Extension of Deployments
2. Army Community Service (ACS) and Morale, Welfare and Recreation (MWR)	2. Deployment PERSTEMPO
Tied 3. Family Readiness Groups (FRGs)	3. Stop Loss
Tied 3. Rest and Relaxation (R&R)	4. Insufficient Number of NG, AGR, Reserve, and AD Remote Family Readiness Groups
5. Family Readiness Groups	5. Incomplete Family Reintegration Training for Children and Teens

87 delegates from Army commands and the two Wounded Warrior Symposia met 13-17 Nov 06 to evaluate 68 issues submitted from AFAP conferences across the Army. The delegates prioritized 16 for adoption into the AFAP, and the GOSC entered two issues. Army proponents will present their action plans to resolve these issues at the next AFAP In Process Review in Mar 07.

New AFAP Issues:

1) Traumatic Brain Injury (TBI) Rehabilitation Program at Military Medical Centers of Excellence
   - Issue recommendation: Establish a comprehensive integrated rehabilitative program for TBI patients at military Medical Centers of Excellence.
2) Traumatic Service Members' Group Life Insurance (TSGLI) Annual Supplement
   - Issue recommendation: Amend TSGLI to authorize an annual re-qualification for an additional lump sum payment to offset caregiver expense of SM due to severity of wounds.
3) Co-Pay for Replacement Parts of Durable Medical Equipment (DME) and Prosthetics
   - Issue recommendation: Eliminate co-pay for replacement parts of the DME and prosthetics.
4) Convicted Sex Offender Registry OCONUS
   - Issue recommendations:
     a) Establish a searchable convicted sex offender registry comparable to CONUS registries and make it available to the military community.

b) Require all convicted sex offenders who reside OCONUS and are authorized a DoD ID/IAC to register with the installation PMO and be entered into a registry system.

5) Retroactive Traumatic Service Members' Group Life Insurance (TSGLI)
- Issue recommendation: Provide retroactive TSGLI compensation to Soldiers with qualifying injuries occurring between 7 Oct 01 – 30 Nov 05 consistent with Soldiers injured in OIF and OEF

6) Education Regarding Living Wills and Healthcare Powers of Attorney (HPOA)
- Issue recommendations:
  a)Develop a multi-language, multi-media family education program in layman's terms on living eills and HPOAs, to be widely available to all Soldier's families (web sites, BOSS, ACS, FRG).
  b) Use Soldiers and family members as spokespersons in all media.
  c)Require a standardized training, separate from the predeployment briefing, to inform Soldiers of the importance, effect, and impact of living wills and HPOAs.

7) Enlisted Promotion Points Submission
- Issue recommendation: Lower the administrative re-evaluation requirements to 10 points.

8. Family Care Plan Travel and Transportation Allowances
- Issue recommendations:
  a) Authorize funded travel for DEERS dependent(s) to FCP designated location for deployments greater than 179 days.
  b) Authorize funded shipment of household goods limited to 350 pounds weight allowance per DEERS dependent to FCP location for deployments greater than 179 days.

9) Full Compensation for Uniform Changes
- Issue recommendation: Create a supplement to the existing CRA and a one time Officer entitlement that provides full compensation to all Enlisted and Officers in the procurement of newly mandated clothing bag items.

10) Medical Malpractice Compensation for Service Members
- Issue recommendation: Create a malpractice claim process for SM's which provides financial compensation in addition to, not in lieu of, benefits and entitlements, similar to the process available to family members.

11) Reserve Component Combat Stress Related Reintegration Training
- Issue recommendations:
  a) Earmark funds for reintegration training for RC.
  b) Standardize training for RC SM, families and communities.
  c) Mandate and document training for all RC SM.

12) Table of Distribution and Allowance Position for Garrison Better Opportunities for Single Soldiers (BOSS) Program
- Issue recommendations:
  a) Establish a requirement for a full time BOSS president position on the TDA for each Garrison as a two year tour.
  b) Require the senior mission Commander to assign the selected Soldier to the authorized TDA position

13) Temporary Lodging for Single Service Members (SMs) with Partial Custody/Visitation
- Issue recommendation: Authorize SMs who have partial custody/visitation of their children to be included on a Confirmed Reservation priority listing for military lodging.

14) Terminal Leave Restrictions for Soldiers in the Physical Disability Evaluation System (PDES)
- Issue recommendation: Remove terminal leave restrictions preventing Soldiers from using leave after completing the PDES process.

15) Timeliness of TRICARE Referral Authorizations
- Issue recommendations:
  a)Require monitoring and reporting of processing times.

b) Develop a brochure explaining the process for specialty referrals and require Primary Care Managers (PCMs) provide the brochure to all patients receiving referrals.

16) Total Army Sponsorship Program
- Issue recommendations:
a)Standardize and enforce Total Army Sponsorship Program (TASP) throughout the Army through the Command Inspection Program (CIP).
b) Add the TASP to the CIP using AR 600-8-8 Appendix B checklist.

OCONUS Direct Submissions through GOSC:

1) Funding for Army Career and Alumni Program (ACAP) (Issue entered into AFAP)
- Issue recommendations:
a) Eliminate future ACAP budget reduction.
b) Expand the ACAP operating budget to maintain a viable program to serve SMs and their families.
c) Maintain professional staff to provide personalized services currently available.

2) Permanent Family Readiness Support Assistants (Issue will be addressed in active AFAP Issue 543 (Family Readiness Group Deployment Assistant)

Top 4 Services

1) Army Community Service
2) Morale, Welfare and Recreation
3) Army Wounded Warrior Program (AW2)
4) Medical and Dental Services

Most Critical Active AFAP issues:

1) #307 - Inferior Shipment of Household Goods
2) #497 - Distribution of Montgomery GI Bill Benefits to Dependents
3) #578 - Paternity Permissive TDY
4) #525 - Montgomery GI Bill (MGIB) Expiration Date
5) #575 - Leave Accrual (to 90 days)

Top 5 Mobilization, Deployment and Family Readiness Strengths and Challenges

Strengths

1) Military OneSource (counseling, information and referral)
2) Army Community Service (ACS) & Morale Welfare & Recreation (MWR)
3) Family Readiness Groups (FRGs)
4) Rest and Relaxation (R&R)
5) Rapid Fielding Initiative

Challenges:

1) Length and extension of deployments
2) Deployment PERSTEMPO
3) Stop Loss Program
4) Insufficient number of NG, AGR, AR and AD Remote FRGs
5) Incomplete Family Reintegration Training for Children and Teens

The AFAP conference and GOSC results are posted on the
AFAP link on the ACS website, **www.MyArmyLifeToo.com**.

Senator BEN NELSON. Thank you. The packet that you mentioned will be made part of the record, without objection.

Mrs. Sumrall?

STATEMENT OF PAULA SUMRALL, SPOUSE OF A NATIONAL GUARD SERVICEMEMBER

Mrs. SUMRALL. First, let me say that I come from a background that is perhaps a little bit different from a lot of the folks here who are full-time military spouses. My husband is a full-time guardsman, at this point, but previously he was a traditional guardsman. He's been in the Guard for 40 years. During that time—we've been

married 19 years—we've moved 11 times, because he's been full-time Guard. I taught school for 30 years, a good number of those years with DOD schools in Germany. So, I'm very familiar with military children, both from the Active component, as well as working in the public school system with Reserve component children.

I am the training coordinator for the Northern Virginia ESGR, so that means—Employer Support for Guard and Reserves—and that means that I have also dealt somewhat with the job issues of our military members, Reserve components, who are coming back, looking for employment or looking to change jobs.

I'm also in contact with a lot of parents of guardsmen, in that I am currently writing a book for the parents of guardsmen, like Vicki Cody did for Big Army. So, I have had a tremendous influx of e-mails from a lot of these folks, especially from the Red Bull Brigade, out of Minnesota, that extend it. So, I get it from all angles here.

I'm a little concerned that I hear Guard mentioned in a lot of things, but I don't really know that their concerns and that their problems are fully understood, much less addressed.

Geography always creates a big problem for the National Guard members. We may have people—for example, in the 20th Special Forces, we draw people from nine different States. In 2002 when they first deployed to Afghanistan, it was very difficult to stay in touch with all of the family members, just simply because of the wide spread of where they were. Even within States, you may have someone, say, that drills in Montgomery, Alabama, but they live in Mobile. That means that those families probably have never even met. So, when you talk about the continuity and the flow of what goes on within the Active component family programs, in the Guard we just simply don't have that, and probably never will, despite the fact that we tend to pull together and make the best of a bad situation.

I will give you an example of some of the things I've seen the Guard have to go through.

Prior to my husband's current position, he was at Central Command, in Florida, deployed most of the time. I had the privilege of sitting in Tampa with four hurricanes, one right after the other—Charlie, Frances, Jean, and Ivan. I saw any number of Florida guardsmen that were activated for this—whichever one, sent off. Their families were left wherever they were, no power, the trees dumped across the cars, the roof missing. They were unable to get to their families to assist them. Now, I point this out, because a lot of the focus is on deployment, which is, of course, a very significant and important thing. But the Guard serves another function, and when you stop and you think that you have families that are sitting there with no power, they can't keep the baby's milk cool, all of this kind of stuff, this impacts on our families. If you come from an area where you've had to go and deal with the tornados or the floods or the snowstorms or the forest fires, it's not just a certain area of our country that's impacted, it's all of our guardsmen.

When you look at most of the programs that focus on families, the focus is the spouse and the kids, not the parents. This is the reason I'm writing the book, and there's obviously a big need for

this, to include not only the immediate family that's right there, physically, with the soldier or the airman, but the extended family. This is another issue that Guard faces.

I will tell you right now that one of the primary things I think that I would say that needs to be fixed is that we hear a lot of this about the coming back, the transition assistance when our soldiers and airmen first come back. One of the biggest problems that the National Guard has is the time spent at the demobilization station is simply too brief. They don't have people there who understand the situation in the area that they're coming from.

For example, Fort Dix, NJ, you arrive. They—let's say, maybe, 4 in the morning. By 7 or 8 o'clock, they're starting briefings. Someone at Fort Dix, NJ, cannot tell you what the job opportunities are in Wetumpka, AL. They don't know.

We need someone, back at the home level, that can address job issues, that can address medical issues that are pertinent for that area. We need an extended time for that. Now, this would require money, of course. But to—and one of the things, too, that I've heard big complaints about is that at least 50 percent—and that's a modest estimate, because I have heard as high as 85—at least 50 percent of the DD–214s are incorrectly, incompletely done at that demobilization site. So, that creates another problem when our guardsmen return home.

The fact that the soldier is not usually right there, located immediately with their family members, they're unable to make the best decisions with regard to health and dental care. I don't know who handles that type of thing at your house, but, I guarantee you, at my house, I do it. If I were not there to tell my husband, "Oh, no, honey, you'd better sign up for this, or you'd better look at this," there could be a problem. So, that's another one of the problems about that.

When you have people coming in, especially Guard folks, who are not used to this military mindset, the main thing they want to do is get home. They're tired. I, frankly, don't see how the Active component manage to digest all of what they need to when they come back at a demobilization. So the Guard really has it tough, because it's just a different thing.

Recently, there was a poll taken of Guard families, and most of them, surprisingly—to us even—that they don't consider themselves military families. They're part of communities. Their churches, their schools, their places of business are somewhere other than Fort Hood, Fort Dix, Fort Campbell. They're part of a community, and they're feeling a disconnect there, when they come in, because their coming home is different from when the Active component does.

I think that's probably about the most that I could say. I mean, I would like to be able to tell you great and wonderful things. I can tell you some great and wonderful things. But I'd rather you know what needs to be fixed.

Senator BEN NELSON. Yes.

Mrs. SUMRALL. Thank you.

Senator BEN NELSON. Thank you.

Mrs. Hall?

STATEMENT OF LAUNA HALL, SPOUSE OF AN AIR FORCE SERVICEMEMBER

Mrs. HALL. Good afternoon, Senators. Thank you so much for this opportunity to speak with you. I'm very honored to be here.

My name is Launa Hall. I've seen military life from a lot of angles, beginning with my birth, at Webb Air Force Base. My father flew C–130s in Vietnam, and went on to serve for 20 years. I served, myself, for almost 6 years, as a junior officer. I met my husband in Reserve Officer Training Corps, and he's currently an Active Duty Air Force officer. He's deployed twice, and has just returned from one of those deployments.

The Air Force has moved me 19 times in my life. I've lived on base, off base, in geographically remote locations, stateside and overseas. I've used the facilities and services at scores of bases. My friends, neighbors, the people I work with and volunteer with are largely military families. I'm comfortable saying that I know this lifestyle. In fact, it's the only life I've known.

This lifestyle is increasingly characterized by deployments, as I don't need to tell you. The more our airmen deploy, the more likely they are to miss major events in their families' lives, such as the birth of their children. That's my special area of concern, is women giving birth while their servicemembers are deployed.

Typically, this woman is not only separated from her husband, but she's far from her own family, too. Also, typically, Air Force spouses will rally to her side, with meals, babysitting for any older children, and maybe even labor support during her birth, because that's the way we care for each other.

But I feel that this is too important an issue to rely upon the bigheartedness of volunteers. It's too much to assume other military spouses are just going to cover it when they're dealing with the deployment of their own airmen or they're in the middle of a move or they're at least enduring a scorching operations tempo.

A pregnant deployed military spouse needs a doula. That's d-o-u-l-a, doula. New term. Very old concept. It's a labor assistant to be with that woman when we've taken her husband away. A birth doula is a certified labor support professional, trained and experienced in childbirth, who accompanies the mother in birth and provides emotional support, physical comfort, and information. Study after study show that parents who receive doula support feel more secure and cared for during their birth, they're more successful in adapting to their new family dynamics, and they have less postpartum depression. Ask a woman who's employed the services of a doula, and she's likely to tell you that her doula was essential.

The unusually high stress of a birth in a family divided by deployment demands the professional quality support of a birth doula, and, furthermore, a postpartum doula who's trained and certified to assist that new mother in baby-care and self-care, and identify a mom who needs treatment for postpartum depression. If this sounds like a lot of support, I agree, it is, and spouses in these special circumstances need no less.

I'm not the first one to think of this. Naval Hospital Charleston trained corpsmen to be doulas. The reports I read indicated great success with that program, though it was eventually discontinued, as many good ideas are, for lack of staffing.

Operation Special Delivery is a network of certified doulas who give away their professional services for free to pregnant spouses of deployed servicemembers. Because military spouses who are also doulas tend to be the ones who's hearts lead them to this kind of volunteer work, what we're basically talking about here is military spouses giving away their income as doulas. While this group does phenomenal work for free—and we should send flowers to every last one of them—they are too few to meet the number of requests they receive. In fact, in the larger military communities, they don't come anywhere close. It's an unmet need, Senators.

Instead of expecting a pregnant spouse to cobble together a supported birth with volunteers and untrained friends, and maybe her mom flying in for a few days, let's fund a doula for her. Let's mitigate the stress she's under. Let's allow the father-to-be, that deployed airman, to relax and to focus on his mission knowing that a trained labor support professional is at his wife's side before, during, and after the birth of their baby.

On a different note, my personal experience of base support during my husband's deployment was outstanding. Programs at the Airman and Family Readiness Center and the Youth Center kept me well informed of resources available to me, and kept my husband, our two children, and me in contact with calling cards and access to morale calls. An Internet cafe at his deployed location, where we could hook up our Web cams. While I didn't end up needing a lot of the resources available to me, I absolutely knew that I could have picked up the phone with any issue, and I knew who to call, and I would have been flooded with assistance. More to the point, my husband knew that, allowing him to focus on his mission.

The Air Force has a reputation of solid support for their families, and it's well-deserved. I'd like to see it furthered in the special circumstances of deployed families having babies.

Thanks for listening. I'd be honored to answer any questions about this issue I brought up regarding doulas, any specific military hospital issue that I'd like to let you know about, if I have the chance, and any other family support topics. Thanks, again.

Senator BEN NELSON. Thank you.

I'm going to try it again.

Mrs. PIACENTINI. Okay.

Senator BEN NELSON. Mrs. Piacentini?

Mrs. PIACENTINI. Perfect.

Senator BEN NELSON. Thank you. [Laughter.]

STATEMENT OF MARY PIACENTINI, SPOUSE OF AN ARMY RESERVE SERVICEMEMBER

Mrs. PIACENTINI. Thank you for giving me the opportunity to be here this afternoon. I appreciate that.

I am the spouse of an Active Reserve soldier for the Military Intelligence Reserve Command. He is at Fort Belvoir. We've been here for 6 months. Prior to our coming to the Virginia area, he was the Command Sergeant Major at the United States Army Reserve Command in Atlanta, Georgia, Fort McPherson.

At that time, I was given the opportunity to be a full-fledged volunteer and part of the family programs for the Army Reserve, being a representative for them and also for the families. I was

able to come in contact with family members, not just spouses, but parents, grandparents, aunts, uncles, and siblings. Over 4 years, I traveled extensively to meet with them to see what their issues were, how things were going, what was good, what was not good.

From all of my travels, I found that in the Army Reserve we're geographically dispersed, as the Guard is, and we don't have access to the same facilities and resources that the Active Army has, and the other military institutions.

Our Family Programs Office does the best they can with the resources that they have, of having personnel out there, but I found, in the field, the communication wasn't the best, because they just cannot stretch their arms far enough and wide enough. That does come down to resources in the way of money, of getting enough personnel out there.

The Army Reserve has recently been able to bring onboard, in their family programs, about 100 or so new individuals to help with family programs, and that will be a tremendous boost for families. But my concern is, as the families' concern is, that the information and the one-on-one contact with the Army Reserve is not being made with the families, because there aren't enough people, bottom line, face to face.

Another issue that affects them is the medical resources and not understanding the medical resources. I have also had a current experience with the Army medical system. I am a medical professional, myself—working in the private sector—and I have found that dealing with the military health institution is not quite user-friendly, not only for the soldier—they're used to it—but for the civilian and family member. Being a health professional, I feel that standard of care is the same whether it's an Army hospital or a private hospital, and I think the Army falls short there.

I am also the mother of a first lieutenant. He is with the 4th Infantry Division out of Fort Hood. His last deployment was a very stressful time for me, but I got through it with a lot of communication. As a seasoned Army Reserve spouse and now Army mother, I was able to ask my son the questions I needed, to get the resources I needed. But those questions aren't out there for the average Army military family to use and to get the help they need.

We need to do a much better job in getting information out to everyone, not just Active Army, but the Army Reserve, National Guard, everyone. It's not always getting out there.

As I have noticed, living on an Army installation through different periods of our Active Army life, that resources are dwindling on the installations, and I'm seeing quality-of-life activities cut or curtailed. I see that as being unfortunate for the military families. So much is being taken away from them to fund other things, and that's understandable, but when you do cut the available resources and activities for military families, you are actually cutting off the leg or the line that will connect the soldier to the military. Family readiness is soldier retention.

I want to thank you for your time today. I, too, didn't want to be a downer on important issues, but these are the major issues. A lot of good is being done, but there is also a lot of work to be done. I hope that the funds are there, and they increase, for both

the soldier and the families. We need to keep our families intact so our soldiers can do their mission.

Thank you.

Senator BEN NELSON. Thank you.

Ms. Raezer? Welcome back, and congratulations.

STATEMENT OF JOYCE WESSEL RAEZER, CHIEF OPERATING OFFICER, NATIONAL MILITARY FAMILY ASSOCIATION

Ms. RAEZER. Thank you, Senator Nelson. I appreciate the kind words. I also appreciate this invitation from you and Senator Akaka, on behalf of the NMFA and the families we serve, to sit on this panel with these wonderful spouses to talk to you about the state of military family readiness today.

These spouses—and, in fact, all the other military family volunteers—are on the front lines of family readiness. As they prepare for deployment, endure the challenges of deployment, which include deaths and injuries in the unit, and then recover from a deployment, even while they know it's soon time to prepare for another deployment, they remain the glue that holds their community together.

They, and all families, are force multipliers, and, as such, families need and deserve a military support structure that ensures a consistent level of resources to provide robust quality-of-life, family health, and family readiness.

I'd like to echo Connie McDonald's remarks about the importance of the community. Families also need the help and comfort of their local communities and, indeed, the whole Nation, so that everyone understands and supports their sacrifice.

NMFA's extensive written statement details many things that we hear from families about what programs are working well, what gaps must be filled, what new challenges are emerging. NMFA has been gratified to see the emergence of a broad spectrum of programs and initiatives designed to improve family readiness and reach out to families. You've heard about many of those today. Military OneSource, expanded access to child care services, increased counseling resources, outreach to National Guard and Reserve families are making a difference in connecting families with each other and appropriate support—not reach everybody, but definitely making a difference.

But, while wonderful, many of these programs and the offices and agencies responsible for them are not yet well coordinated, often leaving families confused about where to go for the appropriate information and assistance. Multiple deployments, repeated extensions, a lack of predictability, and diminished time at home between deployments continue to take their toll on military families.

In measuring that toll, NMFA often looks at two segments of our community: family volunteers and the children of servicemembers. We believe the training and support system for volunteers, like these spouses we have here today, has not kept pace with the demands placed on them by our military, by other families, and by our volunteers themselves. In addition to a more robust training and support structure, these military officer and enlisted spouses, and the parents who volunteer with many of our Guard and Re-

serve units, must be able to depend on professional support personnel tasked to back them up and ensure families in crisis receive appropriate assistance.

Military parents are increasingly concerned, not just for the well-being of their children today while dealing with deployment, but also for the unknown in the future. They ask, "What will the long-term effects of multiple deployments, frequent separations from their parent, and the worry for their deployed parent safety be for military children?"

NMFA is doing its small part to support the children of deployed servicemembers through it's Operation Purple camps. In the summer of 2007, we will be serving 3,500 children of deployed servicemembers in 26 States. We're pleased the military services have stepped up their child and youth support services. But we need more research to help all of us understand the effects of deployment on children, anticipate the long-term issues, and develop better support programs to help parents help their children. Parents and children need better access to the full spectrum of mental health services. These services must also be available for the most vulnerable of our families, those whose servicemember has been injured or wounded, or whose servicemember has paid the ultimate sacrifice for our Nation.

While all of us in the family readiness arena must focus on deployment and crucial family needs related to a long war, we cannot forget that, in times of war, the military's bedrock quality-of-life programs become even more vital to families and contribute to their readiness. To ensure servicemembers remain focused on the mission, families must have: quality, affordable housing in a safe neighborhood; high-quality, caring schools for their children; access to a doctor's appointment when they need it. I'm sorry Senator Chambliss is gone, because we, too, have heard problems about contracting issues in military hospitals, and believe that's why so many of our families have such a hard time getting an appointment when they need it. So, we congratulate him for his work in researching this issue.

Families also need topnotch affordable childcare, and education and career opportunities for the military spouse. They must be assured that when the military orders them to move, their valued possessions will be handled with care, and their out-of-pocket costs are low. They not only must have opportunities to improve their financial savvy, but also be protected from the predators who take advantage of their youth, arrogance, and trusting nature to separate them from their hard-earned pay.

Senator Nelson, we, too, share the concerns you voice about the proposed regulations for the Talent-Nelson Act, and we appreciate your continued interest in that. We have included some of our thoughts on those regulations in our statement, on page 11.

We especially ask you to see that critical base operations and quality-of-life programs are not robbed to meet war needs. Please ensure that the measures undertaken today in the interest of cutting costs and improved efficiency do not also destroy the military community.

Given that our military has been in war status for more than 5 years, NMFA also thinks it's time for the Office of the Secretary

of Defense and the Services to evaluate all those new programs and initiatives they've created to meet wartime needs, and that they currently fund through those wartime supplemental appropriations. Military family readiness programs and quality-of-life facilities require dedicated, ongoing funding, not emergency funding. Thus, we hope DOD would incorporate the most effective of the initiatives created to meet war emergencies into the ongoing array of military quality-of-life programs, and budget for them through the regular DOD budget process. NMFA is concerned that if these programs remain tied to wartime funding, they might go away while families still need them.

The NMFA appreciates your understanding that strong families equal a strong force and that family readiness is integral to servicemember readiness. The cost of that readiness is a cost of the war and a national responsibility. We thank you for shouldering that responsibility, just as servicemembers and their families are shouldering theirs.

Thank you, again.

[The prepared statement of Ms. Raezer follows:]

PREPARED STATEMENT BY JOYCE WESSEL RAEZER

Chairman Akaka, Chairman Nelson, and distinguished members of these subcommittees, the National Military Family Association (NMFA) would like to thank you for the opportunity to present testimony today discussing the tie between military readiness and the readiness of military families. Once again, we thank the members of the Senate Armed Services Committee for your focus on the many elements of the quality of life package for servicemembers and their families: access to quality health care, robust military pay and benefits, support for families dealing with deployment, and special care for the families of those who have made the greatest sacrifice.

READINESS

Webster defines readiness as "the quality or state of being prepared or capable of promptly reacting." Military readiness must include quality training, state-of-the-art equipment, highly motivated personnel, and a strong commitment to the ideals of service and country. Developing quality training and procuring equipment are fairly straightforward processes. Benchmarks are easily determined and results are easily measured. Motivation, dedication, and commitment, however, are not so simply procured. Servicemembers must have faith in their leadership in order to willingly step into harm's way for the good of the Nation. This faith is cultivated in a variety of ways. Perhaps none is as important as the belief that the family will be taken care of while the servicemember is supporting the mission and defending the Nation. A key component of readiness is motivation. A key component of motivation is family support and security.

As we speak, policy changes are being implemented that will affect many military families. The Army is extending Active Duty deployments by 3 months, from 1 year to 15 months. Several National Guard units are being readied for a second deployment, on an accelerated timetable from the guideline calling for 1 year deployed and 5 years at home. Readiness is threatened because of a shortage of equipment for training and the fact that training itself is being shortened. The readiness of the world's greatest fighting force is being threatened. How does family readiness work to make a difference, to make our warriors ready?

Servicemembers and their families feel that they are partners with DOD and the Federal Government in their service to the Nation. DOD recognized this partnership several years ago in its development of the social compact. It is important for servicemembers and families to see that promises are kept, that families have time to rebuild relationships after deployment, that retirees have access to affordable military health care, that the wounded and their families are well cared for, and that the survivors of those who have made the supreme sacrifice are cherished and honored.

We often hear of how the military "grows their own". Many children of military families follow their parents into a life of military service. If they perceive a deg-

radation of benefits and programs for their parents' generation, if they remember their childhood as a time of stress and separation from their parent, will they continue to volunteer for this life of selfless service? NMFA asserts that keeping promises and setting realistic expectations is essential to maintaining the readiness of a quality force.

HOW DO FAMILIES CONTRIBUTE TO READINESS?

Families are an integral part of the military readiness equation, as supporters of the servicemember and of his/her mission. It has become common for speakers before this committee to highlight that today's military "recruits the servicemember and retains the family." Spouses also point out this link. As one applicant for this year's NMFA spouse scholarship program wrote: "Who holds down the fort while our soldiers and sailors are deployed? Who gives them encouragement and support as they face the daily challenges of the military? The spouse. Happiness often lies in personal development, and one happy military couple means one motivated who is ready to respond to the call of duty."

The Nation has an obligation to support the quality of life for servicemembers and their families not only because it is the right thing to do, but because strong quality of life programs aid in the retention of a quality All-Volunteer Force. At a recent hearing, Master Chief Petty Officer of the Navy Joe R. Campa, Jr. summed up the importance of caring for families: "Quality of life does affect retention and it impacts recruiting. Young Americans deciding whether the Navy is right for them look at quality of life initiatives as indicators of the Navy's commitment to sailors and their families. Our goal is to leave no family unaccounted for or unsupported. Our vision of today's Navy family is one who is self-reliant yet well connected to our Navy community and support programs."

Military families are proud of their servicemembers and of their service to the Nation. Family members serve as well. Last year, General Peter Pace, Chairman of the Joint Chiefs of Staff, told a group of military families: "Spouses and families serve this country as well as anybody that's ever worn the uniform. In some ways it's harder for the folks back home than it is for the troops deployed in places like Afghanistan and Iraq."

Family members serve in a myriad of ways even while existing in their own constant state of readiness. As they prepare for deployment, endure the challenges of deployment, and then recover from a deployment even while they know it will soon be time to prepare for another, they remain the glue holding their community together. Among the hardest working are the family members who volunteer as family support staff in commander's programs—the Family Readiness Group Coordinators, Key Volunteers, Ombudsmen, and Key Spouses. The family readiness volunteers do not work alone, but enlist the help of other volunteers to make phone calls, plan meetings, organize fund raisers, and gather folks to fill the never ending parade of care packages to their deployed servicemembers. In addition to providing support to their unit and its families, military family volunteers continue to serve the installation community in ways they always have: as Red Cross workers, home room moms, thrift shop volunteers, chapel religious education teachers, spouse club members. They perform these duties as single parents, who have the added job of providing a sense of normalcy and comfort to others dealing with the stress of deployment. Those left behind step up and take over as soccer coaches, scout leaders, and serve in other community support positions left vacant by deployed servicemembers. General and Flag Officer spouses serve as advisors to family groups and mentor younger spouses. Military family volunteers come forward, not only on military installations, but in towns and cities across the country, to serve in their local armories or Reserve centers, work with National Guard youth programs and reach out to other families in their units. In these communities, parents and siblings of deployed National Guard and Reserve members serve with spouses in many volunteer positions.

Deployed servicemembers rely on their families for individual support. Letters and packages from home, phone calls, and e-mails help improve the morale and ease the concerns of servicemembers, allowing them to better deal with the chaos and danger of the combat zone. Servicemembers are reassured when their families feel secure, are well informed, and aware of support resources. If problems occur, the families know where to turn for help and don't need to burden the deployed servicemember with worries that he or she can do nothing about. Without these tools, if a crisis arises the alternative is for the servicemember to return to solve the problem.

The Army's recently-released Third Mental Health Advisory Team report documents the need to address family issues as a means for reducing stress on deployed

servicemembers. The team found the top non-combat stressors in theater were deployment length and family separation. They noted that soldiers serving a repeat deployment reported higher acute stress than those on their first deployment. They found that multiple deployers felt they were better prepared due to improved predeployment training, but they also acknowledged their families are experiencing more stress. The study also determined that leading suicide risk factors were relationship issues at home and in theater.

NMFA believes our Nation must make a commitment to ensure military families remain strong and resilient, with the tools to handle deployments and the problems that emerge so their servicemembers may remain focused on the mission, secure in the knowledge their families are safe and secure, both physically and emotionally.

CHALLENGES TO FAMILY READINESS

In this sixth year of the global war on terror, as many servicemembers and families are experiencing their second or third deployments, family readiness is more imperative than ever. The needs of and support required for the family experiencing repeated deployments are often different than those of the first deployment. The family that was childless in the first deployment may have two toddlers by now. Middle schoolers have grown into teenagers with different needs. Parents age and the requirements of the "sandwich generation" grow. Commanders cannot assume that "experienced" families have the tools they need to weather each new deployment successfully. The end strength increases in the Army and Marine Corps will bring many new families needing to learn the basics of military life and family support while experiencing their first deployments.

The effect of multiple deployments is burning out many volunteers and families. At high operational tempo installations such as Fort Bragg, Camp Pendleton, and Fort Drum, volunteers and staff are constantly on alert, dealing with families at multiple stages of deployment. Sustaining a high level of engagement with families at rear detachment and installation commands is extremely draining. New challenges seem to constantly appear, including: the grief of unit families when a servicemember is wounded or killed, extensions, and reductions in funds and support staff. Many spouses who hear military and political leaders' pronouncements of a long war wonder if there is ever a light at the end of the tunnel.

NMFA is especially concerned with the burnout of the most experienced family volunteers and the command spouses who often must shoulder much of the burden for the well-being of families within their servicemembers' commands. Senior spouses have stated to NMFA that training has not kept up with the challenges they encounter. Although the Services do a good job of providing educational opportunities for spouses of newly-appointed commanders, much of the training received at various Army senior Service courses, for example, has not changed since the start of the global war on terror. The reliance on military family member volunteers as the front line of family support and readiness has not changed, either, despite the increased complexity of the challenges they face. Military families know they now must exist in a "new normal," in which servicemembers' repeated deployment to combat zones is a given. The spouse leaders they turn to for guidance and mentorship must have the tools and support they need to assist others. They need a clear picture of what is expected of them and assurance there are professional resources available to them.

NMFA believes creating a three-pronged approach to unit family readiness might be the solution. The family readiness triad would consist of volunteer, Active Duty, and civilian components. The volunteer, such as a Key Spouse, Family Readiness Group leader, Key Volunteer, or Ombudsman needs standardized training from professionals in order to play an integral role in the command team and provide the communication conduit to military families. The Active Duty military member who is charged by the commanding officer with taking care of families must be trained and committed to that duty. Professional support by trained civilians tasked specifically to provide counseling and relieve the burden challenging the family volunteers must be the third prong of the support network.

High operational tempo and frequent family separations test the mettle of military families on a daily basis. That military families carry a special burden is especially apparent after every announcement of unit extensions in a combat zone, earlier-than-scheduled deployments, or a surge in the number of troops into theater. When the deployment of the 172nd Stryker Brigade from Fort Wainwright, AK, was extended just before the brigade was to return home last summer, families experienced a myriad of emotions and crises. How did the Army respond to the needs of these families? It began with a 90-minute conference call from the brigade com-

mander in Iraq talking with the family readiness group leaders, who in turn passed the information on to the family members in their groups. Communication and rumor control were crucial in this situation. The Army brought extra staff from other installations to help in the support and allay some of the affected families' stress. New family assistance centers opened at Fort Wainwright and Fort Richardson to help families deal with nonrefundable airline tickets, powers of attorney that were about to expire, relocation concerns, and mental health issues. The Army augmented local support staff with child psychologists, adolescent counselors, and specially-trained chaplains with advanced degrees in family counseling. Families appreciated the extra measure of support. These initiatives became a template on how to rally resources and support for units and installations when future unexpected events happen.

But what happens when a surge affects National Guard or Reserve families who cannot rely on a military installation? Following the President's January announcement of the troop surge to Iraq, the Minnesota National Guard reached out aggressively to support affected families. A robust family readiness and training network had already been in place, supported by Minnesota Governor and Mrs. Tim Pawlenty. The Guard augmented this network with additional military family life consultants and a full-time mental-health coordinator who encouraged mental-health providers across the state to support deployed National Guard members' families. DOD also generated a Tiger Team to analyze needs and allocate resources to support families affected by the surge. With the announcement of more extensions, additional Tiger Teams were stood up to augment medical services, counseling resources, and legal services and to help with commercial obligations.

Individual Augmentees (IAs) and their families are especially vulnerable to falling through the cracks. Military families who previously knew how to navigate their unit chain of command become confused about who will provide information and support when their servicemembers become IAs. Is it the command giving up the servicemember or is it the gaining command—or both? This confusion can lead to frustration when a problem arises and the resolution does not come quickly. NMFA commends the Navy for its recognition of the challenges faced by IA families when their servicemembers have been deployed as individuals or small groups in support of ground combat operations. The Navy is implementing a policy to address the IA "support" issue. The original command support system and unit Ombudsman remain responsible for supporting the IA family. The Expeditionary Combat Readiness Center, a component of Naval Expeditionary Combat Command, was created to provide the communication link between family members and the IA. Families receive a toll free number and access to a Web site providing information and a comment section for family questions related to the deployment. The Navy Reserve has hired a full-time Family Support Manager to oversee Reserve military families' support. Five additional Family Support Managers will be in the field providing support to the "Prairie Navy." This new support structure has been hard-fought because of funding challenges. Yet, without these innovations in Navy family support, servicemembers who are serving in harm's way would have to work harder to resolve pay problems, housing issues, and family concerns.

NMFA is pleased to note that access to information and support has improved overall since the start of the war on terror. For example, the National Guard continues to promote the state Joint Family Assistance Centers as a resource for all military families. The Guard Family Program Web site, www.guardfamily.org, provides lists of many local resources. Training for Guard and Reserve family volunteers has improved and, in the case of the Marine Forces Reserve, Key Volunteers attend training side by side with the Marine Family Readiness Officers. This training helps to create realistic expectations on both the part of the professional and the volunteer.

Recently, top military family program leaders from across the Services gathered at a Family Readiness Summit, convened by Assistant Secretary of Defense for Reserve Affairs Thomas Hall, to answer tough questions on how to work better together. While focusing on the Reserve component, delegates agreed that communication across the Services and components is key to bringing families the best support possible. Effective use of technology and partnerships with community agencies were listed as best practices, along with Military OneSource and the use of volunteers. Challenges identified include the need for consistent funding for family programs and full-time support personnel to help avoid burnout for the full-time staff and volunteers. Some participants expressed concern that current funding is tied to current operations and worried those funds will not always be available to address the long-term needs of servicemembers and families. Participants also identified the need for clear, non-confusing nomenclature for programs that families could recognize regardless of Service or component. Everyone saw reintegration as a challenge

and expressed the concern that the single servicemember not be forgotten in the process. Outreach to parents, significant others, and other family members is essential in helping the servicemember recover from the combat experience. The concerns raised at this summit mirror those raised to NMFA by families since the beginning of Operations Enduring Freedom and Iraqi Freedom. NMFA has reported these findings in our annual congressional testimony and in the Association's published reports in 2004 and 2006 on families and deployment: Serving the Homefront and The Cycles of Deployment Survey Report. These reports are available in the Publications section of the NMFA Web site: www.nmfa.org.

NMFA regards Military OneSource (www.militaryonesource.com), DOD's version of an employee assistance program, as an solid resource for military families, regardless of Service affiliation or geographical location. While DOD agencies and the OneSource contractor have increased their outreach efforts this year, NMFA remains disappointed that families' usage of OneSource is low and that OneSource is not yet well-integrated into other Service, component, and installation support systems. This integration is important not just to meet the wide-ranging needs of today's military families, but also to make the best use of increasingly scarce resources at the installation level. More efforts must be made to enable family center personnel and unit family readiness volunteers to become the "experts" on OneSource so they can then encourage more families to take advantage of the service. OneSource must also do a better job of connecting families to support services already provided by DOD and the Services.

NMFA urges these subcommittees to direct the Services to develop a training system and support structure to meet the needs of the senior officer and enlisted spouses who bear the heaviest burden for supporting other military family unit volunteers. It is essential that professional support personnel are tasked to serve as back-up to unit volunteers to ensure families in crisis receive appropriate assistance. The Services must recognize their responsibility to reach out to families to ensure families understand how to access available support services.

CUT BACKS IN BASE OPERATIONS

Families and the installation professionals who support families tell NMFA that shortfalls in installation operations funding are making the challenges of military life today more difficult. Families are grateful for the funding increases Congress has provided since the start of the global war on terror for deployment-related programs, such as counseling, family assistance for Guard and Reserve families, and expanding access to child care services. However, the military families who contact NMFA, as well as many of our more than 100 installation volunteers, also tell us they are worried about consistent funding levels for these programs, as well as for core installation support programs: family center staffing, support for volunteer programs, maintenance on key facilities, and operating hours for dining halls, libraries, and other facilities.

Shortages in base operations funding are nothing new. What seems to make the crisis worse now is that war needs have exacerbated the negative effects of a long history of cutbacks. Deployed servicemembers expect their installation quality-of-life services, facilities, and programs to be resourced at a level to meet the needs of their families. Cutbacks hit families hard. They are a blow to their morale, a sign that perhaps their Service or their nation does not understand or value their sacrifice. They also pile on another stressor to the long list of deployment-related challenges by making accessing services more difficult. Families are being told the cutbacks are necessary in order to ensure funds are available for the war, and in the case of Army communities, the ongoing Army transformation. Just when they need quality-of-life programs most, families should not be asked to do without. Their commanders should not have to make the choice between paying installation utility bills or providing family support services.

NMFA asks Congress to direct DOD to maintain robust family readiness programs and to see that resources are in place to accomplish this goal. We ask these subcommittees to exercise their oversight authority to ensure critical base operations programs are maintained for the servicemembers and families who depend on them.

CARING FOR MILITARY CHILDREN AND YOUTH

At a recent hearing, the Service Senior Enlisted Advisors put child care as one of their top two quality-of-life concerns. Frequent deployments and long work hours make the need for quality affordable and accessible child care critical. We thank Congress for making additional funding available for child care since the beginning

of the global war on terror. We also applaud several of the innovative ways the military Services have attempted to meet the demand, including:

- the Navy's 24 hour centers in Virginia and Hawaii;
- the purchase of additional child care slots in private or other government agency facilities;
- partnerships with provider organizations to connect military families with providers; and
- use of additional funding provided by Congress to make improvements to temporary facilities to increase the number of child care slots on military installations.

While these efforts have helped to reduce the demand for child care, more is needed. NMFA understands that the House and Senate have included in their versions of the fiscal year 2007 Supplemental Appropriations bill the $3.1 billion previously cut from the fiscal year 2007 continuing resolution. This funding is critical to ensuring that the additional child care spaces required by BRAC and rebasing can be in place when families begin to arrive at new duty stations. In addition to being disappointed that the Supplemental Appropriations bill has not yet become law, NMFA remains concerned that, in the reality of scarce resources and delayed funding, child care centers will take a back seat to operational funding priorities. Even with these new centers, the Services—and families—continue to tell NMFA that more child care spaces are needed to fill the ever-growing demand.

Multiple deployments have also affected the number of child care providers, both center and home based. Child and Youth Service (CYS) programs have historically counted heavily on the ranks of military spouses to fill these positions. Service CYS programs report a growing shortage of spouses willing to provide child care as the stress of single parenting and the worry over the deployed servicemember takes their toll. The partnerships between the Services and the National Association of Child Care Resource and Referral Agencies (NACCRRA) are helping and have grown over the past 2 years; however, not all families qualify for the subsidies and not all programs are the same. As always, getting the word out to families that such programs exist is challenging. Military OneSource must do a better job of putting the NACCRRA programs at the top of their list when referring families to child care services within their neighborhood. Too often, a family will call OneSource and receive the closest child care option to their home address, NOT to the program that is currently working with the military and providing subsidies.

Unexpected extensions also wreak havoc on the availability of care. NMFA applauds the Army's efforts to address this shortage with an innovative program: CYS Transition Mobile Teams (TMT). The Army created the TMTs as a response to the emergency shortage of child care providers due to the extension of the 172nd Stryker Brigade Combat Team from Fort Wainwright, AK. The Army organized teams of volunteers within the CYS department willing to "deploy" to Fort Wainwright for a limited time to fill those shortages. This program was so successful it has been incorporated as a permanent aspect of the Army's CYS program.

Innovative strategies are also needed when addressing the unavailability of after hour (before 6 A.M. and after 6 P.M) and respite care. Families often find it difficult to obtain affordable, quality care, especially during hard-to-fill hours and on weekends. Both the Navy and the Air Force have piloted excellent programs that provide 24-hour care. The Navy has 24-hour centers in Norfolk and Hawaii, which provide a home-like atmosphere for children of sailors working late night or varying shifts. The Air Force provides Extended Duty Child Care and Missile Care (24 hour access to child care for servicemembers working in the missile field). These innovative programs must be expanded to provide care to more families at the same high standard as the Services' traditional child development programs.

Older children and teens cannot be overlooked. School personnel need to be educated on issues affecting military students and be sensitive to their needs. To achieve this goal, schools need tools. Parents need tools too. Military parents constantly seek more resources to assist their children in coping with military life, especially the challenges and stress of frequent deployments. Parents tell NMFA repeatedly they want resources to "help them help their children." Support for parents in their efforts to help children of all ages is increasing but continues to be fragmented. New Federal, public-private initiatives, and increased awareness and support by DOD and civilian schools educating military children have been developed; however, military parents are either not aware that such programs exist or find the programs do not always meet their needs.

In their report: "The Psychological Needs of U.S. Military Servicemembers and Their Families: A Preliminary Report"(Feb. 2007), the American Psychological Association states: "Having a primary caretaker deployed to a war zone for an indetermi-

nate period is among the more stressful events a child can experience. Adults, in the midst of their own distress are often anxious and uncertain on how to respond to their children's emotional needs. The strain of separation can weigh heavily on both the deployed parent and the caretakers left behind. Further, reintegration of an absent parent back into the family often leads to complicated emotions for everyone involved." These emotional challenges are further exacerbated when the servicemember's time at home between deployments is shortened, leaving precious little time for reintegration before preparations for the next deployment begin.

NMFA is working to identify the cumulative effects multiple deployments are having on the emotional growth and well-being of military children and the challenges posed to the relationship between deployed parent and child in this very stressful environment. The NMFA Operation Purple summer camp program, currently in its fourth year, provides a free camp experience to military children, with priority given to children of deployed servicemembers. Unique in its ability to reach out and serve military children of different age groups (8–18), Operation Purple provides a safe and fun environment in which military children feel immediately supported and understood. Its curriculum focuses on giving children the tools to cope with deployment. This year, NMFA will also host a camp specifically for children of the wounded. This first of its kind camp will focus on the special needs and challenges faced by military children whose lives have been forever altered. It is our hope to reinforce coping skills and begin to collect data which will add to the scant literature on this subject.

NMFA urges Congress to ensure resources are available to meet the child care needs of military families. NMFA also strongly requests that Congress add funding for further research on the effects deployments have on children of all ages, birth through teen, and support programs that increase the resiliency of the military family, especially of the military spouse who plays a key role in how children cope with deployments and any unfavorable outcomes.

EDUCATION OF MILITARY CHILDREN

As increased numbers of military families move into new communities due to Global Rebasing and BRAC, their housing needs are being met farther away from the installation. Thus, military children may be attending school in districts whose familiarity with the military lifestyle may be limited. Educating large numbers of military children will put an added burden on schools already hard-pressed to meet the needs of their current populations. Impact Aid has traditionally helped to ease this burden; however, the program remains underfunded. NMFA was disappointed to learn the DOD supplement to Impact Aid was funded at a compromise level of $35 million for fiscal year 2007. An additional $10 million was provided to school districts with more than 20 percent military enrollment that experience significant shifts in military dependent attendance due to force structure changes, with another $5 million for districts educating severely-disabled military children. While the total funding available to support civilian schools educating military children is greater than in recent years, we urge Congress to further increase funding for schools educating large numbers of military children. This supplement to Impact Aid is vital to school districts that have shouldered the burden of ensuring military children receive a quality education despite the stresses of military life.

NMFA also encourages Congress to make the additional funding for school districts experiencing growth available to all school districts experiencing significant enrollment increases and not just to those districts meeting the current 20 percent enrollment threshold. We also urge you to authorize an increase in the level of this funding until BRAC and Global Rebasing moves are completed. The arrival of several hundred military students can be financially devastating to any school district, regardless of how many of those students the district already serves. Because military families cannot time their moves, they must find available housing wherever they can. Why restrict DOD funding to local school districts trying to meet the needs of military children simply because they did not have a large military child enrollment to begin with?

NMFA asks Congress to increase the DOD supplement to Impact Aid to $50 million to help districts better meet the additional demands caused by large numbers of military children, deployment-related issues, and the effects of military programs and policies. We also ask Congress to allow all school districts experiencing a significant growth in their military student population due to BRAC, Global Rebasing, or installation housing changes to be eligible for the additional funding currently available only to districts with an enrollment of at least 20 percent military children.

FINANCIAL READINESS

Financial readiness is a critical component of family readiness. NMFA applauds the passage of the Talent/Nelson Amendment (Sec. 670) to the National Defense Authorization Act (NDAA) for Fiscal Year 2007. This legislation was desperately needed to protect servicemembers and their families from unscrupulous business practices. We are concerned, however, that some lenders are attempting to create loopholes to allow them to circumvent the intent of this important legislation. NMFA is very disappointed with the draft regulation recently released by DOD to implement this legislation. The regulation appears to be more focused on protecting the ability of creditors to function than with ensuring servicemembers and their families are protected from unscrupulous and predatory lenders. As currently drafted, the regulation is so narrow in scope that even payday lenders may be able to continue business as usual with only a few minor changes to their practices. Some of the most damaging products—privilege pay, overdraft protection, and credit cards with exorbitant fees—are completely excluded from the regulation. While DOD has not carved out banks and credit unions by name, the Department has certainly chosen to carve them out completely by product. While NMFA fully recognizes the Military Lending Act could impede the ability of some servicemembers and their families to obtain short-term loans, we believe this risk is justified given the negative impact of the use of predatory loans. We also believe better education about other available resources and improved financial education for both the servicemember and spouse will also reduce the risk.

The chief complaint among lenders centers on the breadth of the protections. Lenders contend the legislation as written will result in the denial of credit to military members and their families. NMFA contends that legitimate lenders have no need to fear an interest rate cap of 36 percent. We encourage DOD to continue to make military families aware of the need to improve their money management skills and avoid high cost credit cards and other lenders. The Department must continue to monitor high cost, low value financial products targeted at military families.

NMFA asserts that the protections provided under the Talent/Nelson amendment must be implemented in their entirety as written. We urge Congress to oppose strongly any changes to the statutory provisions enacted in the NDAA for Fiscal Year 2007 and to monitor DOD's implementation of the legislative provision to ensure full protections are made available to military families.

SPOUSE EDUCATION AND EMPLOYMENT

Today's military is comprised of predominantly young adults under the age of 35. Sixty-six percent of military spouses are in the labor force, including 87 percent of junior enlisted spouses (E–1 to E–5). For many, working to pay bills and cover basic expenses is the primary reason for working. Studies show the gap between the financial well-being of military families and their civilian peers is largely due to the frequent moves required of the military family and the resulting disruptions to the career progression of the military spouse. In a 2005 report by the RAND Corporation: Working Around the Military: Challenges to Military Spouse Employment and Education, researchers found that military spouses, when compared to their civilian counterparts, were more likely to live in metropolitan areas and are more likely to have graduated from high school and have some college. Yet the RAND study found that all things being equal, military spouses' civilian counterparts tended to have better employment outcomes and higher wages. Surveys show that a military spouse's income is a major contributor to the family's financial well-being and that the military spouse unemployment rate is much higher (10 percent) than the National rate. The loss of the spouse's income at exactly the time when the family is facing the cost of a government ordered move is further exacerbated when the spouse is unable to collect unemployment compensation. Lacking the financial cushion provided by the receipt of unemployment compensation, the military spouse must often settle for "any job that pays the bills" rather than being able to search for a job that is commensurate with his or her skills or career aspirations. This in turn hurts morale and affects recruitment and retention of the servicemember

With a concern that spouses desiring better careers will encourage servicemembers to leave the military, DOD is acknowledging the importance of efforts to support spouse employment. Recent DOD initiatives include the collaboration between DOD and Department of Labor (DOL), which focuses on:

- establishing Milspouse.org, a resource library for military spouse employment, education and relocation information,

- establishing One Stop Career Centers near major military installations (Norfolk, Virginia; San Diego, California; Fort Campbell, Kentucky),
- expanding opportunities for Guard and Reserve members and military spouses to access training and education grants,
- exploring options with states to offer unemployment compensation to military spouses when unemployment is the result of a permanent change of station (PCS) move, and
- improving reciprocity for State certifications and licensing requirements.

Unfortunately, funds for this promising collaboration have run out and are not due to be reinstated. NMFA believes this lack of funding is a significant blow to the promise of these early initiatives. We also believe the DOL is best positioned to provide the coordination necessary with states and other agencies to promote opportunities for military spouse employment.

DOD has also sponsored a partnership with Monster.com to create the Military Spouse Career Center (www.military.com/spouses) and recently announced the availability of free career coaching through the Spouse Employment Assessment, Coaching and Assistance Program (SEACA). However, with more than 700,000 Active Duty spouses, the task of enhancing military spouse employment is too big for DOD to handle alone. Improvements in employment for military spouses and assistance in supporting their career progression will require increased partnerships and initiatives by a variety of government agencies and private employers. NMFA applauds current partnerships through the Army Spouse Employment Partnership (ASEP) where currently 26 corporate and government partners have pledged to provide solid employment opportunities to military spouses. Although marketed as an Army initiative, all military spouses may take advantage of this program. Unfortunately, without the ability to track the actual hiring numbers, it is difficult to determine the success of these partnerships.

Despite greater awareness of the importance of supporting military spouse career aspirations, some roadblocks remain. In addition to their inability to qualify for unemployment compensation in many states, military spouses may not be eligible for the many labor and workforce development opportunities offered in the states in which their servicemember is assigned. As the military streamlines operations and contracts out many services, military spouses may find the contract positions have significant disadvantages over positions as non-appropriated fund (NAF) or civil service employees. While one could argue that the ability to be a contractor provides a spouse with some flexibility, this "opportunity" also brings significant monetary implications for the military spouse. What many spouses do not realize until it is too late is that, as a contractor, a spouse enjoys none of the regular employee benefits available through NAF or civil service positions. In addition, they must file quarterly tax statements to pay self-employment tax. NMFA asserts it is time to take a closer look at the efficiencies of contracting and the resulting impact on military spouses who frequently fill these contractor positions.

Many military spouses trying to improve their employment prospects encounter another set of barriers as they seek further education. As one spouse stated in a recent NMFA on-line spouse education and employment survey: "My resume looks like I cannot hold a job, never mind that I have worked since I was 15! Low salary, no time to accrue seniority, no time for education to improve skills all lead to low self esteem. Never mind that when my husband retired he had access to the MGIB and subsequently has finished two masters' degrees while my options are still limited."

In the 2006 DMDC Survey for Military Families, 87 percent of spouses report education/training is a personal goal and 54 percent report training would have helped during their last relocation. The high cost of education, the lack of uniformly-authorized in-state tuition, and the high cost of transferring certifications and licenses from State to State are challenges that must be addressed.

NMFA has also been aware of these challenges. In 2006, the Association's Joanne Holbrook Patton Military Spouse Scholarship Program garnered slightly over 8000 applicants! An analysis of responses reaffirmed that military spouses have a strong commitment to educational advancement even as they struggle to juggle school, work and family, especially with today's current deployments. They understand that service life brings unique educational challenges, which often influences their career choices as well. NMFA is developing educational tools to enhance a spouse's ability to navigate through the frustrating years it can take to complete a degree. The NMFA Military Spouse Education Resource Guide is now in its second printing. In January 2007, NMFA launched its new on-line Military Spouse Education web section, a comprehensive resource about higher education tailored for the military spouse. (http://www.nmfa.org/spouseeducation). But even with all these initiatives and scholarship opportunities the need continues to be great. As one spouse put it:

"I have searched for education or tuition reimbursement for military spouses and I have found no help. I don't qualify for grants or financial aid because my spouse makes too much money . . . I see many scholarships for military children or children of the fallen but very little for spouses. How can a spouse further her education when there is very little help for us?"

NMFA is pleased to report that some States are examining their in-State tuition rules and licensing requirements to ease spouses' ability to obtain an education or to transfer their occupation as they move. NMFA is appreciative of the efforts by DOD to work with States to promote the award of unemployment compensation to military spouses, eligibility for in-State tuition, and reciprocity for professional licenses. DOD has also recognized that it is imperative that programs be developed to move the 22,500 military spouses without a high school degree towards General Education Development (GED) certificates and address the 52,000 military spouses with a high school diploma who need to move toward an Associate or technical degree.

NMFA asks that the partnership between DOD and DOL be realigned to give DOL the authority to serve military spouses through legislative changes designating military spouses as an eligible group for funds for training and education. Furthermore, NMFA asks Congress to promote Federal and state coordination to provide unemployment compensation for military spouses as a result of Permanent Change of Station (PCS) orders. NMFA asks Congress to promote Federal and State coordination to make college credits and fees more easily transferable and adopt State education policies that permit a military spouse to qualify for in-State tuition regardless of servicemember's duty location. NMFA also supports programs or legislative changes that would give local Workforce Investment Boards the opportunity to provide education and training assistance to military spouses. Private sector employers who protect employment and/or education flexibility of spouses and other family members impacted by deployment should be applauded as role models.

MENTAL HEALTH CHALLENGES

As the war continues, families' need for a full spectrum of mental health services—from preventative care to stress reduction techniques, to individual or family counseling, to medical mental health services—continues to grow. In a recent meeting in Alaska with Chairman of the Joint Chiefs of Staff General Peter Pace, military spouses asked him for more counseling resources to help them recognize potential difficulties their servicemembers were facing as a result of combat experience. They also asked these services be made available to servicemembers and commanders grappling with these problems. The recent press reports on Walter Reed Army Medical Center also emphasized the need for additional counselors and mental health services for both wounded servicemembers and their families.

NMFA was dismayed to learn recently that Medicare reimbursement rates for mental health services were lowered, thus also lowering TRICARE reimbursement rates. These cuts for mental health service can be as high as 9 percent. Currently, California, North Carolina, and Kentucky have implemented the rate change. All three of these states contain military installations experiencing high operational tempos. NMFA is hearing psychiatrists will continue to see current patients, but will be reluctant to accept additional TRICARE patients. Given the shortage of mental health specialists, rate cuts will only further erode access to quality mental health services for military families during a time of war when they need them most.

As servicemembers and families experience numerous lengthy and dangerous deployments, NMFA believes the need for confidential, preventative mental health services will continue to rise. It will also remain high for some time even after military operations scale down in Iraq and Afghanistan. NMFA has seen progress in the provision of mental health services, access to those services, and military servicemember and family well-being. However, the progress is ongoing and barriers to quality mental health care remain.

PROGRESS MADE

NMFA has been impressed with the increased range of mental health support offered in theater for servicemembers, especially with the use of combat stress teams. Combat stress teams move out when needed to the unit level to provide advice, support, and counseling to soldiers who are having some adjustment problems or issues related to combat. They assess the troops, work at preventive mental health, find

out what stresses they are struggling with, and assist the commander in helping the servicemembers deal with that stress.

NMFA has often expressed concern about the deployment of servicemembers who had been diagnosed with mental health conditions. We have been especially concerned about the use of psychiatric medications in theater and the ability of mental health providers to monitor servicemembers' use of these medications and address possible side effect issues in a combat environment. We congratulate DOD for issuing policy guidance on the deployment of servicemembers with mental health diagnoses and the monitoring of their conditions (http://www.ha.osd.mil/policies/2006/061107—deployment-limiting—psych—conditions—meds.pdf). We hope this guidance will provide consistency among the Services in how they determine servicemembers' fitness for deployment and the support available to them in theater.

Some communities have also adopted the combat stress team model to support the families of the deployed during periods when they know the unit is engaged in combat or has experienced casualties. In NMFA's Cycles of Deployment survey report (http://www.nmfa.org/site/DocServer/NMFACyclesofDeployment9.pdf?docID=5401), respondents stated professional mental health resources need to be directed to support the volunteer leadership of the Family Readiness/Support Groups (FRGs). The Rear Detachment of the 1st Brigade of the 1st Armored Division, based in the Freidberg/Giessen area of Germany, made providing this support a community priority. It established a Combat Operational Stress Team made up of social workers, Alcohol and Substance Abuse Counselors, and other mental health providers and assigned them as resources to the various battalions' FRGs. By bringing these available community-based mental health resources to the battalion volunteers, the team could identify problem areas more quickly and target their support efforts. For example, when it was apparent that several of the survivors of active duty deaths were choosing to remain in Germany rather than immediately go back to the United States, the rear detachment formed a Bereavement Support Group, assisted by members of the stress team.

The 1st Armored Division communities were also among the handful of Army installations to create care teams to assist families when the unit has a casualty. The concept behind the care team is that rear-detachment commanders and Family Readiness Group leaders have volunteers ready to provide immediate support as the notification teams leave, rather than scrambling around. Care teams—each with two or three members—train to do everything from looking after children, to anticipating potential crises, to fending off "concerned" neighbors at a vulnerable time. Each care team goes through careful screening and training, then undergoes debriefings after helping families to make sure they do not suffer themselves from what is always an emotional test.

As deployments have continued, the military Services have refined programs dealing with the return and reunion process. Families worry about how the reunion will go even as they are worrying about the servicemember's safety in theater. Recent concerns about military divorce rates have prompted even more programs aimed at couples' reunion and reintegration. The Services recognize the importance of educating servicemembers and their families about how to achieve a successful homecoming and reunion and have taken steps to improve the return and reunion process. Information gathered in the now-mandatory post-deployment health assessments may also help identify servicemembers who may need more specialized assistance in making the transition home. Successful return and reunion programs will require attention over the long-term.

Multiple deployments are no longer the exception but rather the norm. Families experiencing a second or third deployment never start from the same place. Along with skills acquired during the first deployment, there are unresolved anxieties and expectations from the last. New families are entering the cycle, whether they are new recruits, servicemembers deploying with new units, or families whose life situations have changed since the last deployment. An example of the progress made in supporting the more complicated readjustments now becoming commonplace is the Army's new Battlemind program (www.battlemind.org). The Battlemind training videos, currently available for post-deployment training provide servicemembers with common scenarios they might face on their return home, as well as show them how skills developed on the battlefield to keep themselves alive may make their readjustment more difficult. NMFA is pleased future Battlemind programs will be aimed at helping family members with their readjustment.

According to the NMFA Cycles of Deployment survey report, families are also concerned about the relationships among other family members during this critical reunion phase. How children, especially the very young or the teenagers, will re-connect with a parent was a common theme. NMFA would like to see the concept behind the couples' programs extended to focus on the reintegration of the entire fam-

ily. As pointed out in the recently-released American Psychological Association report, (http://www.apa.org/releases/MilitaryDeploymentTaskForceReport.pdf), scholarly research is needed on the short- and long-term effects of deployment on military families, especially the children. We urge Congress to direct DOD to enter into research agreements with qualified research organizations to expand our Nation's knowledge base on the mental health needs of the entire military family: servicemembers, spouses, and children. Special attention must be paid to issues affecting wounded servicemembers and their families, as well as surviving spouses, children, and other family members. Solid research on the needs of military families is needed to ensure the mix of programs and initiatives available to meet those needs is actually the correct one.

Because military families look to schools for support and because schools have a vested interest in ensuring children are able to focus on learning, NMFA recommends more resources be targeted to provide counseling and make available mental health services in the schools. To determine what is needed, an assessment should be made of existing mental health services provided by DOD and civilian schools serving large populations of military children. This assessment should also attempt to validate anecdotal reports that disruptions and stress among military children related to deployments are resulting in increased medication use, behavioral problems, or declines in educational performance.

Information gathered in the now-mandatory post-deployment health assessments may also help identify servicemembers who may need more specialized assistance in making the transition home. Successful return and reunion programs will require attention over the long term, as well as a strong partnership at all levels between the various mental health arms of the DOD and VA.

The DOD contract for Military OneSource enables servicemembers and families to receive up to six free face-to-face mental health visits with a professional outside the chain of command. NMFA is pleased DOD has committed to funding the counseling provided under the OneSource contract. This counseling is not medical mental health counseling, but rather assistance for family members in dealing with the stresses of deployment or reunion. It can be an important preventative to forestall more serious problems down the road.

Since May 2004, MHN, the behavioral health division of HealthNet, has provided under contract with DOD short-term, solution focused, non-medical family and daily living counseling to active duty, National Guard and Reserve members, and their families (continental United States (CONUS) and outside CONUS (OCONUS). The Military and Family Life Consultant (MFLC) program is preventative in nature and designed to reach out proactively to service personnel and their families with assistance as they cope with the stressors of deployment and reunion. The program complements existing installation resources, including medical, social services, alcohol and substance abuse programs, schools, and chaplains. Support is provided to all Service branches, although the greatest utilization has been by the Army, followed by the Marines. The program also makes available behavioral and financial consultants at a number of Navy installations in Hurricane Katrina-affected areas and supports airmen and their families at a number of OCONUS locations. Currently, there are approximately 150 licensed consultants providing support in Europe, the Pacific Rim and stateside.

While the consultants are equipped to address various needs, a significant amount of support is focused on coping with stress and marriage and family issues. Counselors generally work out of the military centers and are available to assist units or family readiness groups. They try to be visible when servicemembers are returning to their installations or during drill weekends for recently-returned Guard and Reserve members. While many servicemembers and their families are able to benefit solely from the support offered through the consultants, there are, on occasion, instances when more extensive support is required. In such cases, the consultants (all licensed social workers or psychologists) guide the member to the clinical and professional resources available at military installations, as well as via TRICARE.

NMFA has found that families and family support professionals have generally welcomed these additional counseling resources to their communities. We believe the Marriage and Family Life Consultants are most effective when fully integrated into ongoing support activities on an installation. Thus, their success is dependent on the buy-in from the family center personnel. The consultants working in overseas communities experience a greater challenge in integrating their services with other installation programs. Host-nation rules generally limit the time these counselors may work in one location to only a few weeks. Thus, their effectiveness is dependent on both the willingness of local family center staff to use them and on the consultants' ability to do a smooth hand-off with their replacements. While important in enhancing the preventative mental health capabilities in a community, these con-

sultants are not a replacement for the mental health providers who have been deployed. Families continue to raise concerns that more providers who can do long-term counseling and treatment are needed.

We ask Congress to encourage DOD to expand research into the emotional, educational, and deployment-related challenges affecting military families. NMFA also requests that Congress investigate the effects of recent TRICARE mental health reimbursement rate cuts on military families' access to care.

BARRIERS TO CARE

The military offers a variety of mental health services, both preventative and treatment, across many helping agencies and programs. On a typical installation, families can access stress management classes through the family center staff, the military and family life consultants, chapel programs, hospital, family readiness group meetings, or through orientation programs such as Army Family Team Building. They can find marriage and family counseling through the family centers, chaplains, or social workers at the military hospitals. They can call Military OneSource and request a visit with a counselor outside the military system paid through that contract. If a medical condition, such as depression or an anxiety disorder, is suspected, families can receive services, where available, through military treatment facilities or TRICARE civilian providers.

As outlined above, DOD and the individual Services have added many deployment-related support, counseling, and stress management programs to supplement existing mental health programs. These programs, however, are primarily standalone. Coordination across the spectrum is rare. Families tell NMFA that the proliferation of programs, while beneficial to those who seek them out or are able to take advantage of them, has increased their confusion about where to go or who to see to get the help they need. A first step in this needed coordination would be to integrate training among OneSource counselors, installation-based family support professionals, and Family Assistance Center employees of the Guard and Reserve to facilitate information, collaboration, and counseling efforts to best support military families. A second step would be to increase linkages at the local level between military installation mental health providers, civilian providers, and school personnel to enhance training and access to care.

Timely access to the proper provider remains one of the greatest barriers to quality mental health services for servicemembers and their families. NMFA and the families it serves have noted with relief that more providers are deployed to theaters of combat operations to support servicemembers. The work of these mental health professionals with units and individuals close to the combat action they experience have proved very helpful and will reduce the stress that impedes servicemembers' performance of their mission and their successful reintegration with their families.

While families are pleased more mental health providers are available in theater to assist their servicemembers, they are less happy with the resulting limited access to providers at home. Families report increased difficulty in obtaining appointments with social workers, psychologists, and psychiatrists at their military hospitals and clinics. The military fuels the shortage by deploying some of its child and adolescent psychology providers to the combat zones. Providers remaining at home stations report they are frequently overwhelmed treating active duty members who either have returned from deployment or are preparing to deploy to fit family members into their schedules. A recent survey on counseling conducted by the European Command documents the access problems NMFA has heard from military families both CONUS and OCONUS. Many respondents stated that appointments are difficult to obtain, that chaplains and family center staff are also overworked, and that the specialized care needed for children and adolescents is persistently difficult to obtain.

National shortages in this field, especially in child and adolescent psychology, are exacerbated in many cases by low TRICARE reimbursement rates, TRICARE rules, or military-unique geographical challenges: large populations in rural or traditionally underserved areas. Over the past year, several groups of civilian mental health providers who are willing to donate their services to servicemembers and family members have contacted NMFA. One of these groups is SOFAR, the Strategic Outreach to Families of All reservists (www.sofarusa.org). SOFAR providers, mostly based in New England, provide stress management sessions to Family Readiness Groups and individual counseling to family members, to spouses and children, as well as non-military-ID card holders, such as parents and significant others. The nonprofit Give an Hour (www.giveanhour.org) asks mental health providers to donate 1 hour per week for a year to assist servicemembers or family members who

need these services. NMFA applauds the spirit to help military families that drives these ventures and believes that well-trained providers in these organizations can supplement local support services available to family readiness groups and unit rear detachment/party personnel, especially for isolated Guard and Reserve units. However, we are concerned about the difficulties in coordinating care provided outside the TRICARE system in case more serious issues emerge and the patient must come back into the system. While willing to see military beneficiaries in a voluntary status, these providers often tell us they will not participate in TRICARE because of what they believe are time-consuming requirements and low reimbursement rates. More must be done to persuade these providers to participate in TRICARE and become a resource for the entire system.

NMFA also believes a legislative change is needed to expand the TRICARE provider base. Currently, by law, clinical social workers and marriage and family therapists can independently treat TRICARE beneficiaries for TRICARE-covered mental health conditions. Licensed mental health counselors are professionals with master's or doctoral degrees in counseling or a related discipline, training similar to that of clinical social workers and marriage and family therapists. They were excluded from the legislative authority to treat TRICARE patients as independent providers and may only see TRICARE patients under the supervision of a physician. This requirement increases the difficulty for TRICARE patients in accessing care, limits their choice of provider, and may, by providing an additional step in the process of obtaining care, discourage beneficiaries from seeking care. A provision to grant licensed mental health counselors independent practice authority under TRICARE was included in the House version of the NDAA for Fiscal Years 2006 and 2007, only to fall out of the final conference versions. NMFA asks Congress to try again this year to achieve this necessary change to expand the military medical facility and TRICARE provider base by authorizing independent practice by licensed mental health counselors.

NMFA continues to hear that some servicemembers and families feel the stigma against seeking mental health care and choose to try to "ride out" the rough spots on their own. We believe, however, based on our survey data and conversations with family members that the increased stress caused by multiple deployments is causing more families to seek help. While this increased stress in the military family is bad news, the good news for family support professionals who believe military families are reluctant to seek help for mental health issues is that many now recognize counseling is an option for them. Families perceive counseling and mental health support as especially helpful if it is confidential and with a professional familiar with the military. One spouse who met recently with General Pace in Alaska noted what she felt she and her servicemember spouse needed most: "When my husband talks to me, I don't even know how to respond to some of the things he says. If they can talk among themselves, without fear of repercussion, maybe that would help."

To measure the stigma associated with seeking behavioral health care, the Army's Third Mental Health Advisory Team (MHAT) asked soldiers five different questions. The team found that the number of soldiers who agreed there was stigma associated with seeking this care decreased significantly from MHAT I to MHAT III. While these findings are encouraging, we include the persistent stigma as a barrier that must still be addressed. Commanders must be engaged in this process to model behaviors that promote the seeking of counseling and support.

Many mental health experts state that some post-deployment problems may not surface for several months or years after the servicemember's return. NMFA is especially concerned that not as many services are available to the families of returning Guard and Reserve members and servicemembers who leave the military following the end of their enlistment. They may be eligible for transitional health care benefits and TRICARE Reserve Select. The servicemember may seek care through the Veterans' Administration, but what happens when the military health benefits run out and deployment-related stresses still affect the family? Reports of Vietnam and even World War II veterans showing up at VA facilities in need of counseling after viewing news reports of the war in Iraq remind all of us that PTSD and other mental health effects of the war can linger for years, thus requiring the availability of care for many years in the future. Congress must address not just the current needs of the force and families, but also their long-term need for continued access to services.

We ask Congress to also address the distance issues families face in linking with military mental health resources and obtaining appropriate care. Isolated Guard and Reserve families do not have the benefit of the safety net of services provided by military treatment facilities and installation family support programs, however strained. They look to resources in their communities. Often, however, these local providers may not have an understanding of military life or an appreciation of the

servicemember's choice to serve. Especially when dealing with the mental health consequences of deployment, families want to be able to access care with a provider who understands or is sympathetic to the issues they face. More education to civilian health care providers, as well as religious and education professionals, will help to broaden the support base for military families and improve the quality of the mental health services they receive. Alternative methods for providing mental health services to rural areas should be explored, such as telemental health.

In the sixth year of the war on terror, care for the caregivers must become a priority. NMFA hears from the senior officer and enlisted spouses who are so often called upon to be the strength for others. We hear from the health care providers, educators, rear detachment staff, chaplains, and counselors who are working long hours to assist servicemembers and their families, known as compassion fatigue. Unless these caregivers are also afforded a respite and care, they will be of little use to those who need their services most.

NMFA also sees a need for specific training in bereavement and other counseling for family readiness group leaders, ombudsmen, and key volunteers. Many widows say they suddenly felt shut out by their old unit or community after the death of their servicemember. Often the perceived rejection is caused by a lack of knowledge on the part of other families about how to meet the needs of the survivors in their midst. Because they find contact with survivors difficult, they shy away from it. In some communities, support groups outside the unit family support chain have been established to sustain the support of the surviving families in the days and months after the death of the servicemember. As part of the standardization and improvement of the casualty assistance process, more effort needs to be placed at the command level on supporting the long-term emotional needs of survivors and of communities affected by loss. The implementation of the Care Team process on a broader scale not only supports survivors, but also those community volunteers who bear the burden of support.

Because the VA has as part of its charge the "care for the widow and the orphan," NMFA was concerned about recent reports that many Vet Centers did not have the qualified counseling services they needed to provide promised counseling to survivors, especially to children. DOD and the VA must work together to ensure surviving spouses and their children can receive the mental health services they need. New legislative language governing the TRICARE behavioral health benefit may also be needed to allow TRICARE coverage of bereavement or grief counseling. While some widows and surviving children suffer from depression or some other medical condition for a time after their loss, many others simply need counseling to help in managing their grief and helping them to focus on the future. Many have been frustrated when they have asked their TRICARE contractor or provider for "grief counseling" only to be told TRICARE does not cover "grief counseling." Available counselors at military hospitals can sometimes provide this service and certain providers have found a way within the reimbursement rules to provide needed care, but many families who cannot access military hospitals are often left without care because they do not know what to ask for or their provider does not know how to help them obtain covered services. Targeted grief counseling when the survivor first identifies the need for help could prevent more serious issues from developing later.

Many of the issues facing survivors also face servicemembers who were wounded or injured and their families. Because many of these servicemembers are medically retired and will continue to access military health care benefits, in addition to VA assistance, appropriate mental health services must be available in both systems to them and their families. Counselors working with these families must understand the effects of trauma and help them deal with the ongoing challenges involved in the care of the servicemember, as well as the upheaval that injury has caused to the family as a whole. Mental health professionals must have a greater understanding of the effects of mild Traumatic Brain Injury in order to help accurately diagnose and treat the servicemember's condition. They must be able to deal with polytrauma—PTSD in combination with multiple physical injuries.

DOD must balance the demand for mental health personnel in theater and at home to help servicemembers and families deal with unique emotional challenges and stresses related to the nature and duration of continued deployments. Rear detachment personnel and family readiness volunteers need mental health professionals dedicated to assist them in supporting families of the fallen and injured and others who may become overwhelmed by the stresses of deployment. We ask Congress to encourage DOD to step up the recruitment of uniformed mental health providers and the hiring of civilian providers to assist servicemembers in combat theaters AND at home stations to care for the families of the deployed and servicemembers who have either returned from deployment or are preparing to de-

ploy. TRICARE contractors should be tasked with stepping up their efforts to attract mental health providers into the TRICARE networks and to identify and ease the barriers providers cite when asked to participate in TRICARE.

ACCESS TO HEALTH CARE

NMFA thanks members of these subcommittees for their continued support for a robust military health care system. We ask you to remember the multi-faceted mission of this system. It must meet the needs of servicemembers and the Department of Defense (DOD) in times of armed conflict. The Nation must also acknowledge that military members, retirees, their families, and survivors are indeed a unique population with unique duties, who earn an entitlement to a unique health care program. We ask you to recognize that the military health care system, which showed signs of stress even before the start of the global war on terror, is now significantly taxed.

NMFA and the families it serves have been gratified to see the medical improvements on the battlefield and in military hospitals, which have raised the survival rate of casualties. NMFA asserts, however, as we have done for several years, that access to care remains the number one problem facing TRICARE beneficiaries, especially those who depend on military treatment facilities (MTFs). We were dismayed, but unfortunately not surprised, by the recent press reports highlighting the problems wounded servicemembers face in accessing care at Walter Reed Army Medical Center. As we have stated in previous testimonies before the Personnel Subcommittee, military families often cite problems accessing care at MTFs. What was particularly disturbing to us was that we know families are willing to wait longer than they should for care so that servicemembers can receive first priority. Families have every right to be horrified, therefore, when they find those who bear the scars of battle are having the same or worse access issues.

Recent statements by the Service Surgeons General before the new Task Force on the Future of Military Health Care highlighted the funding problems facing the direct care system. These shortfalls are experienced first-hand by military families enrolled in TRICARE Prime when they find their MTF cannot meet prescribed access standards. No one is more cognizant of the need for superior health care to be provided to servicemembers in harm's way than their families. In addition, no one is more willing to change providers or venues of care to accommodate the need for military health care providers to deploy than the families of those deployed. However, a contract was made with those who enrolled in Prime. Beneficiaries must seek care in the manner prescribed in the Prime agreement, but in return they are given what are supposed to be guaranteed access standards. When an MTF cannot meet those standards, appointments within the civilian TRICARE network must be offered. In many cases, this is not happening and families are told to call back next week or next month. In other cases, MTFs must send enrolled beneficiaries to providers in the civilian network, thus increasing costs to the system as a whole.

Because operational requirements have reduced the number of uniformed health care personnel available to serve in the MTF system, a more coordinated approach is needed to optimize care and enable MTFs to meet access standards. We continue to hear that difficulties in the Service contracting process prevent MTFs from filling open contract provider slots and thus optimizing care within their facilities. Efficient contracting for health care staffing could increase the amount of care provided in the direct care system, thereby reducing the overall cost of care to the military health care system. NMFA suggests Congress direct DOD to reassess the resource sharing program used prior to the implementation of the T-Nex contracts and take the steps necessary to ensure MTFs meet access standards with high quality health care providers.

MTFs must have the resources and the encouragement to ensure their facilities are optimized to provide high quality, coordinated care for the most beneficiaries possible. They must be held accountable for meeting stated access standards. If funding or personnel resource issues are the reason access standards are not being met, then assistance must be provided to ensure MTFs are able to meet access standards, support the military mission, and continue to provide quality health care.

NMFA asks all Members of Congress to hold DOD accountable for providing access to quality care to all TRICARE beneficiaries and to ensure the system is adequately resourced to provide that access.

HELP FOR FAMILIES FAR FROM HOME

NMFA is concerned with the inequity of health care options being offered to pregnant spouses of servicemembers who are stationed at remote embassies in Africa,

Eastern Europe, Asia, and other overseas areas. Appropriate medical care for the delivery does not exist at their duty station. As their delivery date approaches, pregnant women at remote sites in Africa and Eastern Europe are often sent to Landstuhl Military Medical Center in Germany to await the birth of their child. They may arrive as early as 6 weeks before their due date. They are put up in the "Stork's Nest"—a Visiting Officers' Quarters in Landstuhl with other waiting mothers-to-be. If they have other children, they must find care for them at their home station or bring them with them at their own expense to Landstuhl. They endure a long bus ride to the hospital for appointments and another long bus ride back.

What's wrong with this picture? The wife of the ambassador, consul or staffer working for the State Department can choose to go back to the States at government expense and stay with family until the birth of their child. So can military spouses who are stationed in Central and South America. In some cases, spouses in other locations will receive permission and funding to travel back to the states to have their babies; however, families report no consistency in how the policy is followed and who might be "lucky" enough to receive permission and funding to go to the states. Until recently, NMFA had been told this issue could be settled by policy within DOD Health Affairs. Now, we are hearing legislation is needed to give pregnant military spouses the choice of coming back to the states to have their child or staying alone in Landstuhl at the Stork's Nest while they wait to deliver.

NMFA requests that Congress investigate the policy governing OB care given military spouses in remote locations and require that pregnant military spouses stationed in these locations be given a choice as to where to deliver their children at government expense.

SUPPORT FOR FAMILIES WITH SPECIAL NEEDS

NMFA is grateful to Congress for directing DOD, in Section 717 of the NDAA for Fiscal Year 2007, to develop a plan to provide services to military dependent children with autism. This complicated condition places a burden on many military families. Unfortunately, current TRICARE policies increase that burden because families cannot access the care their children need. Frequent military moves make it difficult for these children to receive a consistent level of services. Deployment of a servicemember removes a caregiver from the home, making managing therapy and doctors' appointments, negotiating with school officials for suitable services, and caring for other children in the family difficult for the parent remaining behind. In the NDAA for Fiscal Year 2002, Congress authorized the Extended Care Health Option (ECHO) to provide additional benefits to active duty with a qualifying mental or physical disability in recognition of extraordinary challenges faced by active duty families because of the servicemember's deployment or frequent relocations that often make accessing services in the civilian community difficult.

As we stated last year, families with autistic children reported difficulties in obtaining Applied Behavioral Analysis (ABA) therapy since the implementation of ECHO. We appreciate your support of section 717 and its recognition that DOD was not fulfilling its obligation to these families. We thank Congress for requiring the Department to seek family member input in developing its plan and are monitoring this process closely. DOD sought parent input through a special e-mail address and is also working with selected parents on aspects of the plan. NMFA is also gathering additional input from parents, which it has shared with the TRICARE Management Activity. We will be working to ensure the concerns of these military servicemembers and spouses are addressed in the plan. We also thank Service leaders, especially in the Marine Corps, for their interest in this issue and in ensuring the plan will be responsive to family and mission needs.

We remain concerned that military servicemembers with special needs family members continue to battle a lack of information or support and are often frustrated by the failure of the military health care and family support systems to work together and with civilian agencies to support their families' needs. Like the servicemembers featured in the recent press reports of problems at Walter Reed, special needs military families often experience a system that relies on them to connect the dots and seek out resources rather than providing the care coordination they need.

NMFA requests this subcommittee monitor DOD's development of a plan to support military family members with autism and to ensure servicemembers with special needs family members are provided the support they need.

MILITARY MOVES

NMFA is gratified that Congress set a deadline in the NDAA for Fiscal Year 2007 for DOD to implement the "Families First" program for Permanent Change of Sta-

tion (PCS) moves. This program is long overdue. It will provide much needed protections to military families entrusting their most precious possessions to movers, as well as full replacement value reimbursement for goods lost or damaged in a move. We implore you to continue to hold DOD's feet to the fire to deliver this long awaited program for military families.

We also ask Congress to recognize that military spouses accumulate professional goods over the course of a military career. Frequent moves make it difficult to establish and maintain professional materials used for a job or volunteer activities that will ultimately count against the family's weight allowance when the time to move arrives. Military members are permitted a professional goods weight allowance to compensate for the computers, books, and equipment that must accompany them from duty station to duty station. We request that spouses be provided this professional courtesy as well.

Finally, a PCS move to an overseas location can be especially stressful. Military families are faced with the prospect of being thousands of miles from extended family and living in a foreign culture. At many overseas locations, there are insufficient numbers of government quarters resulting in the requirement to live on the local economy away from the installation. Family members in these situations can begin to feel extremely isolated; for some the only connection to anything familiar is the local military installation. Unfortunately, current law permits the shipment of only one vehicle to an overseas location, including Alaska and Hawaii. Since most families today have two vehicles, they sell one of the vehicles. Upon arriving at the new duty station, the servicemember requires transportation to and from the place of duty leaving the military spouse and family members at home without transportation. This lack of transportation limits the ability of spouses to secure employment and the ability of children to participate in extra curricular activities. While the purchase of a second vehicle alleviates these issues, it also results in significant expense while the family is already absorbing other costs associated with a move. Simply permitting the shipment of a second vehicle at government expense could alleviate this expense.

> NMFA requests that Congress ease the burden of military PCS moves on military families by authorizing a professional goods weight allowance for military spouses and by authorizing the shipment of a second vehicle for families assigned to an overseas location on accompanied tours.

WOUNDED SERVICEMEMBERS IN TRANSITION

As revealed in the series of articles about Walter Reed Army Medical Center, post-deployment transitions to and from a variety of DOD, VA, and civilian medical facilities and between military and civilian life can be especially problematic for injured servicemembers and their families. NMFA asserts that behind every wounded servicemember is a wounded family. Spouses, children, parents, and siblings of servicemembers injured defending our country experience many uncertainties. Fear of the unknown and what lies ahead in future weeks, months, and even years, weighs heavily on their minds. Other concerns include the injured servicemember's return and reunion with their family, financial stresses, and navigating the transition process to the VA. The system should alleviate, not heighten these concerns, and provide for coordination of care that starts when the family is notified the servicemember has been injured and ends with the DOD and VA working together to create a seamless transition as the injured servicemember transfers from active duty status to veteran. Interruption in their continuity of care can occur when the transfer of medical records between the two health care systems does not occur smoothly. The lack of a standardized DOD and VA electronic health record prevents the seamless transfer of information, which effects the quality of care given and received by wounded services members. NMFA urges Congress to request status reports on DOD and VA's partnership initiatives.

Traumatic Brain Injury (TBI) is the signature wound for Operation Enduring Freedom and Operation Iraqi Freedom injured servicemembers. Long-term effects and appropriate treatment for this condition have not been adequately assessed. NMFA is concerned with DOD's decision to cut funding for basic research by 9 percent and 18 percent for applied research. Accurate diagnosis and proper treatment for TBI requires forward leaning initiatives by DOD and VA founded on solid research.

When designing support for the wounded/injured in today's conflict, the "government"—whether in the guise of commander, noncommissioned officer, Service personnel office, a family assistance center, an MTF, or the VA—must take a more inclusive view of military families and remember that a successful recovery depends on caring for the whole patient and not just the wound. Those who have the respon-

sibility to care for the wounded servicemember must also consider the needs of the spouse, children, and the parents and siblings of single servicemembers. It is time to update TRICARE benefits to meet the needs of this population by allowing medically-retired wounded servicemembers and their families to retain access to the set of benefits available to active duty families during a transitional period following the servicemember's retirement. These benefits would include the ability to enroll in TRICARE Prime Remote and to continue coverage of a disabled family member under the ECHO.

In the past, the VA and the DOD have generally focused their benefit packages for a servicemember's family on his/her spouse and children. Now, however, it is not unusual to see the parents and siblings of a single servicemember presented as part of the servicemember's family unit. In the active duty, and Reserve components, almost 50 percent are single. Having a wounded servicemember is new territory for many families. Regardless if the servicemember is married or single; their families will be affected in some way by the injury. As more single servicemembers are wounded, more parents and siblings must take on the role of helping their son, daughter, sibling through the recovery process. Family members are an integral part of the health care team. Their presence has been shown to improve their quality of life and aid in a speedy recovery.

Spouses and parents of single servicemembers are included by their husband/wife or son/daughter's Military command and their family support and readiness groups during the deployment. When that servicemember is wounded, their involvement in their loved one's life does not change. Spouses and parent(s) take time away from their jobs in order travel to Walter Reed Army Medical Center or the National Naval Medical Center at Bethesda to be by their loved one. They learn how to care for their loved one's wounds and navigate an often unfamiliar and complicated health care system.

The DOD and each military Service have developed unique programs to assist wounded servicemembers and their families: US Army Wounded Warrior Program (AW2), the Marine For Life (M4L), the Navy Safe Harbor, Air Force's Palace HART and the DOD Military Severely Injured Center (MSIC). When working well, these programs deliver information and provide support services for the injured and their families while still on active duty status. NMFA thanks the Services and the DOD for their efforts, but believes more must be done to ensure these programs are working the way they were intended to meet the needs of the growing number of wounded servicemembers and their families. The role of the DOD and the VA must be clearly explained and delineated and joint efforts between the Services and the VA in support of the wounded servicemember and their families continue as a priority.

Because the increased number of wounded and the severity of wounds have strained Service programs, NMFA believes the Service wounded servicemember programs must be augmented with expanded case management support. A case manager could provide individual assistance for a wounded servicemember and their family while moving between the DOD to the VA health care systems. These individuals must have an understanding of the unique aspects presented in these cases, such as DOD and VA health care systems, eligibility for benefits and services, and the wounded servicemember's individual health care needs.

To support wounded and injured servicemembers and their families NMFA recommends Congress:

- Extend the 3-year transitional survivor health care benefit to servicemembers who are medically retired and their families and direct DOD to establish a Family Assistance Center at every MTF caring for wounded servicemembers.
- Allow for the wounded servicemember and family to have input into the location of rehabilitation and recovery care. The health care team would provide alternative sites, other MTFs, VA hospitals, and civilian center of excellence in which to choose. The wishes/desires of the wounded servicemember must be kept in mind (i.e. close to home) along with a discussion of the potential positive/negative aspects each place offers for treatment and care.
- Create a "case manager" assigned to individual wounded servicemembers and their families to assist in the coordination of care during recovery and rehabilitation phases and transition from active duty to veteran status.
- Establish requirements for "case workers" to be familiar with the unique aspects presented with these cases and receive standardized training to aid in maintaining the continuity of care and improve the servicemember's quality of life.

• Remove the TGSLI disparity for eligible servicemembers enabling all those who served in support of OIF and OEF regardless of location after October 1, 2001 receive this benefit.

PAY AND COMPENSATION CHALLENGES

NMFA thanks members of these subcommittees for their recognition that servicemembers and their families deserve a comprehensive benefit package consistent with the extraordinary demands of military service. We ask you to continue to evaluate changing circumstances that may diminish the value of that package and threaten the retention of a quality force. We also ask you to recognize the interaction between the various elements of the compensation package and how they affect families' eligibility for certain state and Federal programs.

Despite regular annual pay increases, in addition to targeted raises, over the past several years, military pay for some servicemembers still lags behind civilian pay. NMFA recommends a pay increase of not less than 3.5 percent for fiscal year 2008. We further urge that future increases remain at least one-half percentage point above private sector pay growth until the estimated 4 percent pay gap is eliminated.

MILITARY ALLOWANCES AND SAFETY NET PROGRAMS

In congressional testimony since 2003, NMFA has raised a long-standing frustration for military families: the confusion involved in how and when military allowances are counted to determine eligibility for military and civilian programs. NMFA again reinforces the need for Members of Congress, as well as state officials, to assist in bringing a sense of order in how military allowances are counted for Federal and state programs. We ask you to help ensure equitable access to these safety net services and protect families against disruptions in benefit eligibility caused by the receipt of deployment pays. No family should have to face the prospect of losing valuable benefits for a disabled child because a servicemember has received deployment orders.

Families living off the installation are often there only because of insufficient on-base housing, yet endure higher expenses than families living on an installation. Ideally, therefore, NMFA believes tax free allowances such as BAH should not be counted under any safety net program, which is how they are now treated in determining eligibility for the Earned Income Tax Credit (EITC). NMFA understands this could increase the number of military families eligible for some of these programs, but believe this increase is justified given the need for equitable treatment of all servicemembers, as well as the loss of spouse income due to military relocations and high operations tempo.

Inconsistent treatment of military allowances in determining eligibility for safety net programs creates confusion and can exact a financial penalty on military families. A start in correcting this inequity would be to adopt a common standard in how BAH should be counted in eligibility formulas and to ensure that the receipt of deployment-related allowances do not cause military family members to become ineligible for support services, such as the Supplemental Security Income (SSI), for which they would otherwise be eligible.

COMMISSARIES AND EXCHANGES

The commissary is a key element of the total compensation package for servicemembers and retirees and is valued by them, their families, and survivors. NMFA surveys indicate that military families consider the commissary one of their most important benefits. In addition to providing average savings of more than 30 percent over local supermarkets, commissaries provide an important tie to the military community. Commissary shoppers get more than groceries at the commissary. They gain an opportunity to connect with other military family members and to get information on installation programs and activities through bulletin boards and installation publications. Finally, commissary shoppers receive nutrition information and education through commissary promotions and educational campaigns contributing to the overall health of the entire beneficiary population.

The military exchange system serves as a community hub, in addition to providing valuable cost savings to members of the military community. Equally important is the fact that exchange system profits are reinvested in important Morale Welfare and Recreation (MWR) programs, resulting in quality of life improvements for the entire community. We believe that every effort must be made to ensure that this important benefit and the MWR revenue is preserved, especially as facilities

are down-sized or closed overseas. Exchanges must also continue to be responsive to the needs of deployed servicemembers in combat zones.

TRICARE FEES—WHAT'S THE ANSWER?

Last year's proposal by DOD to raise TRICARE fees by exorbitant amounts resonated throughout the beneficiary population. Beneficiaries saw the proposal as a concentrated effort by DOD to change their earned entitlement to health care into an insurance plan. NMFA appreciates the concern shown by Members of Congress last year in forestalling any premium increase, emphasizing the need for the Department to institute more economies, and suggesting further investigation of the issue through a report by the Government Accountability Office and the creation of a task force on the future of military health care. We appreciate your recognition of the need for more information about the budget assumptions used by DOD, the effects of possible increases on beneficiary behavior, the need for DOD to implement greater efficiencies in the Defense Health Care Program (DHP), and the adequacy of the DHP budget as proposed by DOD. We appreciate the continued Congressional oversight responsibilities of these issues, but ask for your help in avoiding a funding train wreck that could impede military families' access to quality care. NMFA urgently requests that Congress reinstate the $1.9 billion deducted by DOD from the budget proposal for the Defense Health Program to reflect its savings due to their proposed policy initiatives, such as increased TRICARE fees.

As we stated last year, NMFA believes DOD has many options available to make the military health system more efficient and thus make the need for large increases in beneficiary cost shares unnecessary. NMFA urges Congress to request status reports on DOD's implementation of the cost-cutting measures included in recent NDAAs and to ensure the Department is exhausting all reasonable measures of economy prior to seeking beneficiary fee increases. We encourage DOD to implement cost saving measures such as: a systemic approach to disease management; an ongoing, aggressive marketing campaign to increase use of the TRICARE Mail-Order Pharmacy (TMOP); eliminating contract redundancies; delaying the re-competition of the TRICARE contracts; speeding implementation of the Uniform Formulary process; and optimizing MTFs.

NMFA remains especially concerned about what we believe is DOD's continued intention to create a TRICARE Standard enrollment fee. The precursor to TRICARE Standard, the basic benefit provided for care in the civilian sector, was CHAMPUS, which was then, as TRICARE Standard is now, an extension of the earned entitlement to health care. Charging a premium (enrollment fee) for TRICARE Standard moves the benefit from an earned entitlement to an opportunity to buy into an insurance plan. Standard is the only option for many retirees, their families, and survivors because TRICARE Prime is not offered everywhere. Also, using the Standard option does not guarantee beneficiaries access to health care, which beneficiaries opting to use Standard rather than Prime understand. DOD has so far not linked any guarantee of access to their proposals to require a Standard enrollment fee.

In the ongoing debate about whether or not to raise TRICARE beneficiary fees, NMFA believes it is important for everyone participating in that debate to understand the difference between TRICARE Prime and TRICARE Standard and to distinguish between creating a TRICARE Standard enrollment fee and raising the Standard deductible amount. TRICARE Prime has an enrollment fee for military retirees; however, it offers enhancements to the health care benefit. These enhancements include: lower out-of-pocket costs, access to care within prescribed standards, additional preventive care, assistance in finding providers, and the management of one's health care. In other words, enrollment fees for Prime are not to access the earned entitlement, but for additional services. These fees, which have not changed since the start of TRICARE, are $230 per year for an individual and $460 per year for a family.

	Prime	Standard
Enrollment fees	$230/year for an individual; $460/year for a family.	None
Annual Deductibles	None	$150/individual; $300 for a family
Outpatient co-payment (Prime)/cost share (Standard) for individual providers.	$12	25 percent of allowed charges [1,2]
Inpatient co-payment/cost share for individual providers.	None	25 percent of allowed charges [1,2]

	Prime	Standard
Daily inpatient hospitalization charge	Greater of $11 per day or $25 per admission.	Lesser of $535/day or 25 percent of billed charges if treated in non-network hospital [3]
Emergency Services co-payment/cost share	$30	25 percent of allowed charges
Ambulance Services co-payment/cost share	$20	25 percent of allowed charges
Preventive Examinations (such as: blood pressure tests, breast exams, mammograms, pelvic exams, PAP smears, school physicals) co-payments/cost shares.	None	25 percent cost share [1,2]

[1] Providers may charge 15 percent above the TRICARE allowable and the beneficiary is responsible for this additional cost, making the potential cost share 40 percent.
[2] If care is accessed from a TRICARE Prime/Extra network provider the cost share is 20 percent.
[3] If care is received in a TRICARE Prime/Extra network hospital, the daily hospitalization rate is the lesser of $250/day or 25 percent of negotiated charges.
(For a more detailed comparison of TRICARE costs, go to: http://www.tricare.mil/tricarecost.cfm)

DOD's proposal last year to increase TRICARE Prime enrollment fees, while completely out-of-line dollar wise, was not unexpected. In fact, NMFA had been surprised DOD did not include an increase as it implemented the recent round of new TRICARE contracts. While increases were at least temporarily forestalled by Congress last year, NMFA believes DOD officials continue to support large increased retiree enrollment fees for TRICARE Prime, combined with a tiered system of enrollment fees and TRICARE Standard deductibles. NMFA believes any tiered system would be arbitrarily devised and would fail to acknowledge the needs of the most vulnerable beneficiaries: survivors, wounded servicemembers, and their families.

Acknowledging that the annual Prime enrollment fee has not increased in more than 10 years and that it may be reasonable to have a mechanism to increase fees, NMFA last year presented an alternative to DOD's proposal should Congress deem some cost increase necessary. The most important feature of this proposal was that any fee increase be no greater than the percentage increase in the retiree cost-of-living adjustment (COLA). If DOD thought $230/$460 was a fair fee for all in 1995, then it would appear that raising the fees simply by the percentage increase in retiree pay is also fair. NMFA also suggests it would be reasonable to adjust the TRICARE Standard deductibles by tying increases to the percent of the retiree annual COLA.

NMFA is dismayed DOD has taken only small steps to encourage migration to the TMOP. Its marketing effort to promote the use of the TMOP came only after NMFA and other associations raised the issue in congressional testimony last year in their push for the implementation of significant cost-saving measures prior to any increase in TRICARE fees. Promoting use of the TMOP makes sense, as it provides significant savings to beneficiaries as well as huge savings to the Department. If some additional cost share for the TRICARE Retail Pharmacy (TRRx) is instituted, NMFA believes it should not be implemented until all of the medications available through TRRx are also available through TMOP. Finally, it is well understood, and NMFA has no great argument with the premise, that the process of establishing a Uniform Formulary was to provide clinically appropriate drugs at a cost savings to the Department. We believe information must be gathered to determine if the Uniform Formulary process is meeting the desired goals.

NMFA believes tying increases in TRICARE enrollment fees to the percentage increase in the retiree COLA is a fair way to increase beneficiary cost shares should Congress deem an increase necessary. We encourage Congress to direct DOD to continue efforts to gain real efficiencies, improve the quality of care, and access. NMFA requests the Government Accountability Office be asked to conduct a review to see if the Uniform Formulary process is producing the savings projected and the extent, if any, beneficiaries believe they have been denied medications they and their provider believe would be more clinically appropriate for them.

SURVIVORS

Recently, a story in the Washington Post raised concerns about some of the difficulties families encounter in the awarding of survivor benefits to the children of single servicemembers. NMFA has always emphasized that servicemembers and families must understand there is a package of survivor benefits. The death gratuity was originally intended to act as a financial bridge, to help with living expenses until other benefits such as the Dependency and Indemnity Compensation (DIC) payment, the Survivor Benefit annuity, and Social Security benefits begin to be

paid. The Servicemembers Group Life Insurance (SGLI), is, as its name implies, an insurance. The death gratuity is not an insurance payment, even though its $100,000 payment is bigger than many civilian life insurance plans. Servicemembers may thus regard it as just another insurance plan.

As the law is currently written, the death gratuity must be awarded to the next of kin. The servicemember may designate multiple beneficiaries for the SGLI. If the parent or sibling of a servicemember is named as the single beneficiary or one of multiple beneficiaries, there is no stipulation in the SGLI regarding the use of that money for any particular purpose. It is of utmost importance, in light of the increased value of the survivor benefits, that the servicemember be informed about the difference between the death gratuity and the SGLI payment. It is also important that servicemembers and their families discuss the implications and disposition of these payments, especially when there is a minor child involved. With the increased amount of survivor benefits, it is incumbent upon single servicemembers with children or dual servicemember couples with children to create not only a family care plan, but an estate plan as well.

NMFA is concerned that the legal necessities of appointing a guardian for a minor child upon the death of their single servicemember parent may cause a delay in accessing the death gratuity at a time when the family may need this bridge payment the most. Legislation to change the way the death gratuity is awarded must meet two goals: preserving the intent of the death gratuity as a payment to assist with immediate financial needs following the death of the servicemember AND protecting the benefits due the minor child. NMFA would support legislation to allow the designation of a parent or sibling of the servicemember as the recipient of a portion of the death gratuity payment if there is a guarantee the payment would be used as that financial bridge for the minor child until other benefits are awarded, with the remainder placed in trust for the child. The protection of the financial future of the child is paramount. If the servicemember wants to provide for other family members, the proper mechanism is to designate those family members as beneficiaries of all or part of the SGLI.

NMFA appreciates the work being done by DOD and the Services to provide training to casualty assistance officers and to make sure survivors are receiving accurate information in a timely manner. The survivor guide published by DOD and available on-line, A Survivor's Guide to Benefits: Taking Care of Our Own, has already been updated several times as new benefits were implemented or needs for information identified. The Army set up the Families First Casualty Call Center, recently renamed Long Term Family Case Management (LTFCM), a one stop resolution center to assist surviving family members with questions concerning benefits, outreach, advocacy and support. This call center is available for immediate and extended family members. The DOD/VA committee on survivors is still meeting and reviewing concerns as they arise. NMFA has surfaced concerns from family members who have reached out to us and have been pleased at the response of all the specific DOD and Service casualty assistance offices to these families. Unfortunately, we still occasionally hear of widows or parents who still do not know who to call when there is a concern.

NMFA still believes the benefit change that will provide the most significant long-term advantage to the financial security of all surviving families would be to end the DIC offset to the Survivor Benefit Plan (SBP). Ending this offset would correct an inequity that has existed for many years. Each payment serves a different purpose. The DIC is a special indemnity (compensation or insurance) payment paid by the VA to the survivor when the servicemember's service causes his or her death. It is a flat rate payment of $1,067 for the surviving spouse and $265 for each surviving child. The SPB annuity, paid by DOD, reflects the longevity of the service of the military member. It is ordinarily calculated at 55 percent of retired pay. Military retirees who elect SPB pay a portion of their retired pay to ensure that their family has a guaranteed income should the retiree die. If that retiree dies due to a service connected disability, their survivor becomes eligible for DIC.

Four years ago, survivors of servicemembers killed on Active Duty were made eligible to receive SBP. The amount of their annuity payment is calculated as if the servicemember was medically retired at 100 percent disability. The equation is the basic pay times 75 percent times 55 percent. The annuity varies greatly, depending on the servicemember's longevity of service.

Surviving Active Duty spouses can make several choices, dependent upon their circumstances and the ages of their children. Because SPB is offset by the DIC payment, the spouse may choose to waive this benefit and select the "child only" option. In this scenario, the spouse would receive the DIC payment and the children would receive the full SBP amount until each child turns 18 (23 if in college), as well as the individual child DIC until each child turns 18 (23 if in college). Once the chil-

dren have left the house, this choice currently leaves the spouse with an annual income of $12,804, a significant drop in income from what the family had been earning while the servicemember was alive and on Active Duty. The percentage of loss is even greater for survivors whose servicemembers served longer. Those who give their lives for their country deserve more fair compensation for their surviving spouses. We urge Congress to intensify efforts to eliminate this unfair "widow's tax" this year.

NMFA believes several other adjustments could be made to the SBP. These include allowing payment of SBP benefits into a trust fund in cases of disabled children and allowing SBP eligibility to switch to children if a surviving spouse is convicted of complicity in the member's death.

NMFA applauds the enhancement of medical benefits included in the NDAA for Fiscal Year 2006 making surviving children eligible for full medical benefits to age 21 (or 23 if they are enrolled in college) bringing them in line with the active duty benefit for dependent children. To complete the benefit package we ask Congress to allow surviving children to remain in the TRICARE Dental Program until they age out of TRICARE and, in cases where the surviving family had employer-sponsored dental insurance, treat them as if they had been enrolled in the TRICARE Dental Program at the time of the servicemember's death.

NMFA recommends that surviving children be allowed to remain in the TRICARE Dental Program until they age out of TRICARE eligibility. NMFA recommends the DIC offset to SPB be eliminated to recognize the length of commitment and service of the career servicemember and spouse and relieve the spouse of making hasty financial decisions at a time when he or she is emotionally vulnerable. The surviving children of single servicemembers who die on active duty require special protections to ensure the proper financial disposition of the enhanced survivor benefits. NMFA asks Congress to provide the proper protections for the child(ren) if allowing a guardian to receive the death gratuity and to remember the original intent of the death gratuity payment was to serve as a financial bridge until the initiation of the payment of the survivors' benefits.

STRONG FAMILIES—STRONG FORCE

Higher stress levels caused by open-ended and multiple deployments require a higher level of community support. We ask Congress to ensure a consistent level of resources to provide robust quality of life, family support, and the full range of preventative and therapeutic mental health programs during the entire deployment cycle: pre-deployment, deployment, post-deployment, and in that critical period between deployments.

Military families share a bond that is unequaled in the civilian world. They support each other through hardship, deployments, PCS moves, and sometimes, the loss of a loved one. The military community is close knit and must be so. It is imperative our Nation ensure the necessary infrastructure and support components are in place to support families regardless of where they happen to be located geographically. More importantly, we ask you and other Members of Congress to ensure that the measures undertaken today in the interest of cutting costs and improving efficiency do not also destroy the sense of military community so critical to the successful navigation of a military lifestyle.

Educating families on what support is being provided helps reduce the uncertainty for families. Preparation and training are key in reaching families and making sure they are aware of additional resources available to them. While NMFA appreciates the extraordinary support that was made available to address the special needs of the families during deployment extensions and the recent "Surge", our Nation must ensure this level of support is available to all families day in and day out. Military family support and quality-of-life facilities and programs require dedicated funding, not emergency funding. Military families are being asked to sustain their readiness. The least their country can do is make sure their support structure is consistently sustained as well. Strong families equal a strong force. Family readiness is integral to servicemember readiness. The cost of that readiness is an integral part of the cost of the war and a national responsibility. We ask Congress to shoulder that responsibility as servicemembers and their families shoulder theirs.

Senator BEN NELSON. Thank you.

I want to personally thank all of you for being here, sharing your experiences, because they are not simply unique, but they're terribly important for us to understand as we look at the family part

of the service. So, I just want to thank you for your articulate presentations of your experiences.

I'm going to ask my colleague, Senator Akaka, to start with the questions again.

Senator AKAKA. Thank you very much, Mr. Chairman.

I, too, want to echo what you just said about responses to the statements that have been made. We wanted to hear directly from you and people who have the experience.

My first question is to Mrs. Hall. I would say that I would invite other witnesses to comment, if they wish. But because you were a dependent of a servicemember, growing up, and before becoming a servicemember yourself, and a military spouse later in life, whether you feel the stresses military families are facing today are new or unique, or are today's challenges similar in mind, though perhaps not in degree, to the stresses you have seen throughout your lifelong connection with the military? In other words, do we have new problems now which require new solutions, or are you seeing the same issues now that you have seen before, in which case we should expect that we should have effective family support programs in place?

Mrs. HALL. Thank you for your question, Senator.

Of course, I'm a parent now, and I didn't used to be, when I was a military brat, and that makes these issues feel more pertinent. But my perception is that the OPTEMPO is higher, and the need is greater, and it feels much more pertinent for family support than even when I was Active Duty, several years back, not even going back to my childhood, but just from my early adult years. The need for good, solid family support to meet the OPTEMPO that we're at right now feels more pertinent than ever, sir.

Senator AKAKA. Does anyone want to comment on that?

Mrs. PIACENTINI. I would, Senator Akaka.

Senator AKAKA. Yes.

Mrs. PIACENTINI. I was also raised in the military. My mother had a great support system with the spouses around her. She became a great mentor for those around her. But she didn't face, again, the OPTEMPO that our soldiers are facing. My father, of course, was through the second World War, Korean War, the Cold War, and Vietnam. But the OPTEMPO was different, and I think that our families now, especially engaging so many Reserve and Guard members, the resources are not there for them to maintain and be successful military families.

So, I feel it's much more difficult now, even with a lot of the Internet resources. People are still people, they still need other people to communicate with to get the information that they need.

Senator AKAKA. Thank you for that, Ms. Piacentini.

I would—and, as I mentioned in my opening statement, I wanted to know your feelings about involving a community, whether caring for military families is strictly the role of DOD and the military Services, or is there not also a role for the larger civilian community as citizens, and especially in cities and counties with military installations as neighbors.

Ms. Raezer, you did mention the community in your testimony, and you quote a master chief petty officer who used the phrase, "self-reliant, yet well-connected." So, let me start with you.

Are the issues we are discussing today issues the DOD, Congress, the military families, and groups like yours should solve by taking care of their own, or is there a role for the larger community? Do we need more help from the rest of our fellow citizens? Do military families want more help from their fellow citizens?

Ms. RAEZER. Senator Akaka, the military community does a wonderful job of taking care of its own. These spouses here are a good example of military families taking care of their own. But military families, to us, are our Nation's families. Military children are our Nation's children. Military families are a part of the greater community. Most of our military families live off the installation. Our Guard and Reserve folks are scattered throughout the Nation. Over 80 percent of our military children go to civilian public schools. We need those schools to embrace our children, and they have.

One of the initiatives that our association has praised is DOD's America Supports You Program that highlights all of those community organizations, corporations, kids groups, mom-and-pop initiatives to support our troops. I talk to families. These outpourings of support, the help, whether it's quilts, whether it's people having a bake sale to support families and buy phone cards, it means a lot, because our military families are part of this Nation, and they want to feel that the rest of the Nation is behind what they do. Whether or not they agree with the war, they are that connection with our larger community, and they need that connection with the larger community. So, it's our responsibility, as a Nation, to reach out to these folks.

Senator AKAKA. Let me ask another question.

Senator BEN NELSON. Sure.

Senator AKAKA. Military families have some unique challenges in financial planning—and that was mentioned, too—especially during deployments, when the servicemembers' allowances go up, but so do the families' expenses. You also mentioned the words "predatory lenders." This is especially true for Guard and Reserve families who may see their health care coverage change, depending on the deployment status. Recently, I organized a seminar on financial planning assistance just for military families in Hawaii. With an admiral, we worked this out, and it was a huge success. We had a huge turnout, which confirmed my belief that there is a big demand for help in managing finances.

Do you have access to quality financial planning assistance from people who are familiar with both best practices in this area, as a whole, as well as the unique issues military families face?

Mrs. Piacentini, let me start with you on that, because as a Reserve component family, you may not have had the support structure an Active Duty installation provides. Would you make some comment about this?

Mrs. PIACENTINI. Well, absolutely. Since we are so geographically dispersed, we don't have access to military installations that often. Some areas do, but, for the most part, we don't, and we have to rely on our Family Programs Offices to send out that information. They would have deployment briefings, where they would bring in the financial experts to the units to educate those that would attend. But, for the most part, so many of them wouldn't attend, because there's a part of them that's in denial as to the fact that

they're soldiers being mobilized and deployed. They just don't always—at the time that you have the resources, they're not always there to take the information in. Unfortunately, we don't have that continual follow-up to reinforce, all the time.

The smaller communities embrace the military, I have found, in a much larger way throughout the community than larger communities. Because they are small, they know their people and they take care of them from all areas. So, the Army Reserves, unfortunately, we don't always connect often enough with those—and we do need the resources out there.

Senator AKAKA. Thank you.

Mr. Chairman?

Senator BEN NELSON. Thank you, Senator Akaka.

I want to ask a question about Military OneSource. I've been told it's a very valuable resource, and it's accessible by military families, no matter where they're located or what Service they belong to. NMFA reports that Military OneSource is underutilized by military families. Ms. Raezer's already told us that. So, Ms. McDonald, have you used Military OneSource, or is it part of the tools that you use with your fellow spouses?

Mrs. MCDONALD. It's absolutely part of the kit bag, but I don't dial for them. I do reference. We have military life consultants on Fort Hood, who use it as a reference, as well. I will tell you—I have a chart in front of me that can break down for you what kind of calls I get, but I'll tell you that what I'm impressed with the chart is that not as many of them are about deployment questions as they are about living-life questions. Some of them, healthcare; some of them, mental healthcare. Where they get referenced is not necessarily a phone call and I reference Military OneSource; it's when Specialist Jones' wife gets a success story for herself, and she tells Specialist Smith's wife that she had a success. So, it's mouth-to-mouth marketing on Military OneSource.

Flooding the market with information is absolutely the first step, but confidence in the program is the second step, and that happens customer-to-customer. I think the senior leadership is very aware of it and references it often, but I think it's actually kind of an impressive thing that you can call them, from how to look for scholarships to how to change your tire in a rainstorm on the highway by yourself. It's an impressive program. I will tell you that I agree that it's underutilized, but I think as we continue with this, it's going to be mouth-to-mouth-to-mouth-to-mouth success stories that is going to make the next person call.

Senator BEN NELSON. Thank you.

Ms. Sumrall, you're stranded, by comparison. Have you had any experience with Military OneSource?

Mrs. SUMRALL. As a matter of fact, I have. Military OneSource is probably the most often-mentioned resource that some of these parents that have been e-mailing me have said, "I'm unable to, because of, I'm not close to my son or my daughter's unit to be able to participate in their family readiness group," and, even though they try and do this via e-mail, to stay in touch, they have been going onto Military OneSource, because the word has gotten out—the Guard really pushes Military OneSource—and they've been able to access a lot of different things, and they're really, I think,

intrigued by the fact, just like Connie said, that we have, if you need to find somebody to groom your dog, you can go on there and do that.

I was in a meeting recently with Secretary Hall and some of the senior Reserve component spouses, and he asked, he said, "Well, is it true that they have to answer by the third ring?" So, we tested it, and, sure enough, the phone was answered by the third ring.

I would say it's a valuable resource, especially for Guard, where you have people who are in isolated communities.

Senator BEN NELSON. Thank you.

Anybody else have a comment about it, Military OneSource, or a different experience?

Mrs. PIACENTINI. I've not used it, but I talk to many individuals who have, and they've appreciated the fact that they have it available to them.

Senator BEN NELSON. Ms. Raezer?

Ms. RAEZER. What we hear from families who have used OneSource is that they've been very satisfied. We still encounter families who have never heard of it or have not used it. We haven't seen usage numbers in a while, but that may be something you could ask the Services for, for the record, because it's a wonderful resource. The marketing seems to go slow, and I think a lot of folks don't realize it's there.

I think it's interesting, in terms of some of the things that folks have talked about, that people use it, and that gets back to that bedrock support for families. It might not be a deployment question that's prompting them to call, this time, for Military OneSource, it may be just that life-skill issue. But if the deployed spouse is the one who handled the life-skill issue, who handled finding the vet for the dog when you've moved, then having that resource for that family is very important. If they're satisfied with finding the dog groomer, they may call back when they have another deployment-related or more serious problem. So, we encourage folks to use it, but continue to be disappointed that we still hear from many families who don't know about it.

Senator BEN NELSON. I hope you'll share that number with me before I leave.

Mrs. HALL. I just wanted to say, I knew about it, as well, when my husband recently deployed. I knew about it. I was briefed on it shortly before he went, and not this deployment, but previously, I had gone online, and surfed around and checked it out, and see it as a great resource. I'm inclined to think that perhaps younger troops, who are more used to getting information by surfing for it, might be more interested in it and more excited about it. [Laughter.]

Senator BEN NELSON. Better than the yellow pages, sometimes, huh? [Laughter.]

Senator BEN NELSON. I've been hearing that there are—and you've all mentioned—money shortfalls in military services, resulting in cutting funds, in some cases, for family programs on military installations.

Ms. McDonald, have you noticed any cutbacks at Fort Hood?

Mrs. MCDONALD. Sure. [Laughter.]

Senator BEN NELSON. Okay.

Mrs. MCDONALD. It's the Army's largest installation. I'm sure I am going to see them.

I came into Fort Hood as a new person. In 27 years, we had—well, in 26 years, we hadn't been at Fort Hood, so I come in with a lot of experience as an Army spouse, but it is a new place to me. So, I guess, coming in with new eyeballs, it adds a good thing to it.

Some of the cuts—the intent is that families don't see the cuts, but what I do is, as a volunteer who has worked with family programs, so I'm in there with them, and the staff members, if you reference something that you knew was there before as a volunteer, and the answer is, "Oh, we can no longer get that," or, "We don't have a staff member who does that anymore. Someone else has taken on that hat," my concern—big word, "my" concern—is that the ACS staff members are wearing way too many hats for the one person that they may be. We have a lot of one-person programs that need to be deeper. As you're getting into—and with that become—bless their hearts, they're in there. I mean, they have a heavy rucksack, and they refuse to put it down, but they're starting to droop. As volunteers come in, they have the same thing, they're living it and breathing it personally, and then coming in to help the programs that help folks like themselves. With that, I can definitely see it, but I think I see it maybe a little quicker than someone who's coming in to use the program, because they're coming in to use the program, and, as soon as they walk in the door, they're greeted, their questions are answered, I'm in the wings and can see what's going on behind stage. Yes, I see the cuts. They're definitely there.

Senator BEN NELSON. Is that just generally what your thoughts are, as well, the rest—anyone else like to comment on it?

Ms. RAEZER. Our installation volunteers from across all the Services report things such as Mrs. McDonald mentioned, the Family Center staff that's not replaced when somebody leaves, so that people are wearing multiple hats, cutbacks in janitorial services and routine maintenance, and hours that are changed or diminished. When you're dealing with communities under as much stress as our communities are under, that can be very hard for a community.

Senator BEN NELSON. Well, I think Senator Akaka has some other questions. As the co-chair here today, I'm going to turn it over to him, because I have to be somewhere else at 6 p.m.

I want to thank all of you for being so frank and candid, but also want to thank you for your service, and for your spouses' service, as well. The American people support our military, and we want to be sure that the budget and the resources reflect that, as well as the attitude of the American people. There probably is no better way to do it than to be sure that the resources are there, and that the programs are there for families, that the compensation is appropriate for families. We're committed, with the Readiness and Management Support and the Personnel Subcommittees, to do our very best to get that done.

Thank you very much, and may God bless you and keep you, and thank you, as I walk out the door here.

Thank you. It's all yours.

Senator AKAKA [presiding]. Yes. Let me say, thank you very much, Chairman Nelson, for agreeing to hold this hearing and for creating it so that it has been such a success, at this time. So, thank you very much, Ben.

I just have a few questions. This is something that has been on my mind, and this has to do with mental health counseling and the stigma that's attached to it. I would like to ask any of you who can respond, do you think servicemembers, spouses, or dependents feel free to seek mental health counseling when they need it, or is there still a stigma in our society, or in our military culture, that inhibits people from asking for this kind of help?

Mrs. MCDONALD. At Fort Hood, where——

Senator AKAKA. Ms. McDonald?

Mrs. MCDONALD.—I should tell you that Fort Hood puts the "hoo" in "hooah." [Laughter.]

We have military life—Military Family Life Counselors. We call them MFLCs. Of course, we can't use regulars, we have to create an acronym. But—and we have a pilot program at Fort Hood, as well, on coaching young families, that's come in. Both of those are nonmedical models for support and counseling.

I will tell you that the answer—I would love to tell you, Senator Akaka, the answer is simple on that, but I think it's as varied as our military families themselves are. I don't think it's the stigma within the military community alone. It will also be the stigma that may—they have grown up with in the community they're from. We are very diverse. There could be the idea that—I spent time as a staff member at Fort Bragg, and went through the—assessments of what it was like for—mental health assessment—what did that mean for the soldier? The idea that you couldn't—if you can't keep your family happy, how can you do your mission? I think we've come a long, long way from that. I won't say we're done, by a longshot. But I do believe that the MFLCs are the step in the right direction, and the fact that it is a nonmedical model.

I can call one of these folks, who rotates every 45 days—we have three of them at Fort Hood, but we would like to have more—I can call one of them, and they will meet at Starbucks downtown. I don't have to go on the installation, and they will chat with me. They are almost like traffic cops to decide whether or not what I need is support or I need medical model help. It's a first step, and it's instigated by me. No one would know it but me. They do not keep records. I think it's a step in the right direction for, I think, maybe what your concern is. But, again, that answer is very difficult, because we are so very different, as human beings. The community that we work within, live within, would know if one of these counselors stayed with us the whole time, then, if I do happen to meet them at Starbucks for coffee, they're going to want to know, has Connie got problems, or has Connie got a friend that she's having coffee with? One of the nice things about this is the rotation. This program doesn't have a face, it has a reputation. I think that's a step in the right direction. At least that's the way it's sounding like at Fort Hood. We've just been working with this, but I do know this program—and, Joyce, I don't know if I'm right on this—but this program had great, great strengths coming out of Alaska, with the extension notice there.

Senator AKAKA. Yes.

Ms. RAEZER. We still see and hear about the stigma, but we also hear, even more often, that the issue is access to mental health providers. There's a national shortage of child and adolescent psych providers. So, that's been a concern for many of our families. We agree with Connie's assessment of the MFLCs. They're a wonderful addition to that mix on an installation to provide support.

One thing that we hear, in terms of the servicemember seeking help, is the tone is set by the command. If the general comes back from deployment and says, "I'm going to go see a counselor, just to talk things out," there's no stigma for his subordinates, because if the general can do it, it's okay for the captain and the colonel and the sergeant and the specialist to do it. So, we've been really excited when we hear a general say, "When my folks and I come back from deployment, we are all going to seek counseling, just to talk to someone." So, the command has a big influence on that stigma, and getting rid of that stigma.

Senator AKAKA. Well, another interest that I had, I would like to ask anyone on our panel who can respond with your views on programs such as contracting out and military/civilian conversions. What is the impact, if any, on the families who depend on these services, if the provider of those services is a military member or a Government civilian or a contractor? Does it matter to you? Does service get better or worse when service provider positions are connected or converted from a military to a civilian person, or from a Government civilian to a contractor? I think you understand what I'm asking here, and would like to have your comments on that.

Mrs. PIACENTINI. If I might comment.

Senator AKAKA. Mrs. Piacentini?

Mrs. PIACENTINI. Yes. There is a difference. If you have a civilian contract or—to buy positions for a Family Programs Office to slot in those civilian contractors, if those civilian contractors have no military experience, no education in the military, they can't communicate with military families appropriately. They don't understand the lifestyle and where they're coming from. So, it can be a real disaster if they aren't the right people for those jobs. Many times, they aren't and the families suffer.

Senator AKAKA. Any other comment?

Ms. RAEZER. There are some things that have been a benefit because of the contracting out or the privatization. There's a lot of new housing on military installations that wouldn't have been there if we'd have waited for MILCON dollars to build that housing. The privatization initiative has helped. Many of the family centers, as they've done a conversion from DOD or service civilian employees, they've gone to contractors—we have many military spouses who are working as contractors—there are sometimes some issues for them in learning how to be a contractor. But that has helped.

What I said about mental health also applies to contracting. It goes back to the oversight and the willingness of the person in charge to set and enforce standards in those contracts.

Senator AKAKA. Yes.

Ms. Sumrall, would you make a comment on that?

Mrs. SUMRALL. I would have to say that having lived on military installations, and had the services of military facilities and military personnel, and then to make that transition either of necessity or by choice, in some cases, I would have to say that going with someone who is not totally familiar with military and how things work, it does pose a problem sometimes. They don't understand, for example, the TRICARE. They may have signed up for TRICARE, and may not understand the difference between TRICARE Prime and TRICARE Standard. Then, you have a hassle about your medical claim. Or if you have—I know of one person who went to her private physician, and she made the comment about, "Well, my husband is now deployed as a guardsman." The doctor immediately said, "Oh, well, let me give you some type of tranquilizer, or whatever, because I know you're having a rough time." So, I would say that and, to me, the thought of someone who might be dispensing drugs to calm someone's nerves is perhaps not the best thing, especially if the person doesn't need them. So, I think, there, that—even with Guard, that having that connection with someone who at least does understand the military, perhaps with prior military service themselves, or military family members or something, does make a difference. That's not to say that all contractors would do things like that. I'm sure there are some excellent ones out there. But I think it is something that we do need to be concerned about. The privatization, in some cases, of things, say, like the medical, is maybe a little bit scary.

Senator AKAKA. Well, this has been excellent. I just want to open it up, in case any of you want to make any closing statements. I would certainly ask for that, if you do. [No response.]

Otherwise, let me tell you that this has been a great hearing for us, the Subcommittee on Personnel and the Subcommittee on Readiness and Management Support has set up this hearing to hear directly from you. This has been helpful to us. I want to also tell you that we commend you for your spirit and for your sacrifices and for the support that you give our military, because you have made a huge difference in the successes that we've had.

What's coming about now is that I feel that families are so important to the life of our troops that we need to pay attention to it. This is what we're trying to do. What has happened here will help us determine what to do next.

I look forward to your continuing contact, in case you do have other offers to make to us about helping families.

But this is what it's all about, and I want to thank you again, and thank Chairman Nelson for his part in this.

We may have another hearing on this, but I'm not certain about that because we're looking at particular points and areas here.

Let me finish with this one, and this is about the predictability of deployments.

The Army has just changed its policy on deployments to Iraq or Afghanistan from 12 months to 15 months. I would like to ask anyone on this panel to give me your view as to the importance of predictability of deployments. If you know upfront that it will be 15 months, does that help, or does that not really make that much difference in meeting all the challenges of that separation?

Mrs. MCDONALD. Senator Akaka, if you don't mind, I'm a spouse of exactly one of those soldiers.

Senator AKAKA. Yes.

Mrs. MCDONALD. He will be gone two Christmases, which wasn't the original plan. If you guys don't mind?

Ms. RAEZER. Go for it.

Mrs. MCDONALD. I will tell you—living at Fort Hood with two divisions that are on a rotating basis, they replace each other—I will tell you that I would rather, right now, that my servicemember be extended to 15 months than ask the 4th Infantry Division to turn around and go back in less than 9. I think the mental health, the physical health of the soldier first, the family members second, and the overall health of the post, has to call for that.

It takes the—the original plan was not to rotate every year, it was—if I remember—if I have this right, it was 2 years home, 1 year down, 2 years home, 1 year down. At Fort Hood, we're not getting 2 years home. At this point, they're not getting 1 year home if we don't do this extension. So, if that's the answer, if that's the purpose of this, I think the guys downrange, the guys and gals downrange would rather be where they are, let the folks rest who need to rest, because one day they're going to be the ones who need to rest.

If the predictability factor is that you tell me, as a family member, that there's a possible extension, which will—by the way, no surprise—that if we got that, I would rather know that that extension is a possibility, and you turn around and guaranteeing me on predictability, that he's home for 12 months, where I can give him chicken noodle soup and I can get him off on R&R, and we can use our camper, and he can be at home, and see some of the kids' stuff. Absolutely, the predictability, for me, is more—of when he's home than how long he's deployed. That is personal, my view, but I'm sitting in that hotseat, so I'm taking it on.

Senator AKAKA. Thank you.

Mrs. MCDONALD. Okay.

Senator AKAKA. Mrs. Sumrall?

Mrs. SUMRALL. From the standpoint of the National Guard and from my volunteer service with the ESGR, I can tell you that knowing that the Guard and the Reserves are now going to have a designated time to be deployed makes a tremendous difference from the standpoint of the employer. Of course, that impacts on the family, because so many of our employers—we have some that are absolutely wonderful and totally supportive—but we have people who own small businesses, we have people who are afraid their company's going to downsize, we have farmers, we have a lot of people that, being gone for extended periods of time, and not knowing for sure how long that will be, if and when they do deploy the next time, is a very frightening factor in the security of the family and how they are provided for. So—and, like I say, some of the employers are not happy at all about it, and we are running into situations where they're somewhat leery of hiring people who have any type of affiliation with the Guard or Reserves.

So, I would say, from the standpoint of the financial security of the family, as well as job security of the deployed servicemember,

that knowing how long a deployment is going to be is, just, a tremendous gift to that family, to know what to expect.

Senator AKAKA. Mrs. Hall?

Mrs. HALL. When you hear about anyone else being extended, you think it might happen to your servicemember, too. The entire time my husband was gone, people would ask me, "Oh, so when is he coming back?" Every single time, I'd say, "well, we think January," because that's the best you can do when you know that the possibility of an extension is out there.

I think it has a larger effect on, just, your ability to plan the future and your ability to think your way through what this deployment's going to mean to your family. It has a larger effect than you even realize at the time. I think, only in retrospect do you realize, "Wow, I really had no idea when that was going to end." That might be overstating it. I had a good idea, but I wasn't certain when it was going to end.

In our case, he came home on time. But we certainly know lots and lots of Air Force people who did not come home on time. It sounds to me like the Air Force has a slightly different deployment model, in that instead of large battalions going out, we tend to go out one person at a time from different shops. So, that deployment has—if it's extended, has an effect more on that individual family, perhaps, than in the larger community. Just a perspective from the Air Force, there.

Yes, extensions, big impact on family feeling about how that deployment is going.

Senator AKAKA. Ms. Piacentini?

Mrs. PIACENTINI. Predictability is essential. If the Army Reserve can use the model that they are trying to develop, then the families can certainly count on when that soldier's going, when he or she will be home, and what they'll be doing in that period when they are home. As a mother of a 4th Infantry Division soldier, I don't want him over there longer, because he's my son, but if he has to go, he goes. So, as a parent, it—I think I look at it a little bit different than as a spouse, probably.

Senator AKAKA. Ms. Raezer?

Ms. RAEZER. The only thing predictable for our families since this war started is that the tour length is unpredictable. I think it has been hard. Families have been promised, in the past, "The tour length will be this long." The savvy families aren't circling that end date anymore, they're counting off the number of days that servicemember has been gone, but they're not circling the end date, they are still going to be looking for the other shoe to drop, even with this latest extension.

We are concerned about predictability. We are also concerned about tour length. In our surveys, families have told us long tour lengths, missing the two Christmases, is hard. We've seen information that was presented on some of the Army mental health studies that graphs problems in theater with servicemembers and their concerns, and those mental health issues affecting servicemembers in theater go up dramatically the longer the tour is.

So, we are worried about tour length and what that will do to the servicemembers. How long will those servicemembers need to recover after being gone for 15 months? So, I think we have to be

really careful about announcing an extension and saying, "This is going to make us more predictable," because I think the families are very wary, and we have to be careful about expectations. Somebody needs to be looking at tour lengths.

Senator AKAKA. Well, again, I want to say thank you to all of you. This has been tremendous. It will be helpful, again, as I said.

This hearing is adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

FAMILY SUPPORT SERVICES

1. Senator BYRD. Secretary Dominguez, Dr. Davis, Mr. McLaurin, and Lieutenant General Brady, taking care of the families of our deployed National Guard and Reserve servicemembers is just as important as buying the equipment they need in the field. Many feel that these servicemembers are underserved in comparison to our Active-Duty Forces, not only when it comes to equipment, but also when it comes to benefits and family support services. In the past, what has been of paramount concern to the families of the West Virginia National Guard is seeing that their deployed family member receive proper body and vehicle armor. But in addition to making sure these individuals have proper equipment, what efforts are currently underway to improve the quality of family support services to the families and, in particular, what efforts are underway to improve access to those living in rural or remote areas?

Mr. DOMINGUEZ. The operational tempo (OPTEMPO) for today's National Guard/Reserve is the highest it has been since the Korean War. This not only affects the member, but also their families. The mission of National Guard and Reserve family programs is to prepare, support, and sustain families when their military member is activated and/or deployed. Support is facilitated through education, outreach services, and partnerships by leveraging resources, training, and constantly capitalizing on new capabilities, concepts, and technological advances.

The National Guard Joint Force Headquarters Commands (JFHC) within each State, territory, and the District of Columbia are responsible for coordinating family assistance for all military dependents, regardless of Service and component, within the State and in the geographically dispersed areas beyond the support capability of military facilities. To coordinate family assistance, each JFHC is authorized one State Family Support Director. The National Guard has a strong Joint Service family support network, organized in each State and territory by the National Guard State Family Program Director, and reinforced by a Wing Family Program Coordinator at each Air National Guard Wing. Family Assistance Centers are regionally based and are the primary entry point for all services and assistance that any military family member, regardless of Service or component, may need during the deployment process. This process includes the preparation (pre-deployment), sustainment (actual deployment), and reunion phases (reintegration).

In addition, the following services are available to provide support to families living in remote or rural areas:

- Military OneSource (www.militaryonesource.com) is a key resource available to National Guard/Reserve members and their families. One Source supplements existing family programs with a 24-hour, 7 days a week, toll-free information and confidential referral telephone line and internet/web-based service. It is available at no cost to Guard and Reserve members and their families regardless of their activation status. OneSource provides information ranging from everyday practical advice to deployments/reintegration issues and will provide referrals to professional civilian counselors for assistance.
- Military Family Life Consultants (MFLCs) are another resource available to National Guard and Reserve families. The goal of the MFLC is to prevent family distress by providing education and information on family dynamics, parent education, available support services, and the effects of stress and positive coping mechanisms.
- As a result of section 675 of the National Defense Authorization Act for Fiscal Year 2007, Joint Family Support Assistance Programs are in the design phase. Critical components of the model involve building coalitions and connecting Federal, State, and local resources and non-profit organizations to support Guard and Reserve families. Best practices learned from 22

Inter-Service Family Assistance Committees, the Joint Service Family Support Network, and exemplary State models, such as Minnesota and New Hampshire, will guide the planning process.

Dr. DAVIS. The Navy has initiated a number of efforts to support and sustain the members and families of the Reserve community during this time of Reserve call-ups for the ongoing war on terrorism. The challenge within Navy is that Reserve members are often activated individually from units and are deployed solely or with one or two others from the same Reserve unit. The Navy calls these sailors "Individual Augmentees (IAs)." This situation often leaves IA families in mid-America without a nearby support system of other families whose loved one is also activated and deployed. To address this, the Navy has developed three separate IA handbooks, one targeted for the servicemember, one for the family, and one for the command. These handbooks, which have been widely distributed throughout the Navy community, are excellent resources to support the families of the IAs. IAs, Reserve families, and commands have provided very positive feedback on the handbooks, noting their valuable resources and tips.

Family readiness is a key enabler of sailor readiness. Navy Reserve Force family programs are continually improving with the assistance of Command Ombudsmen and the Family Support Team. One of our biggest challenges is the wide dispersion of Reserve component families throughout all States and territories, often without convenient access to the services provided by Navy Fleet and Family Support Centers. To extend services to those families, the Navy Reserve hired a full-time Family Support Program Manager on the Commander, Navy Reserve Forces Command, headquarters staff. Specific emphasis is placed on partnering with National Guard Family Assistance Centers. This liaison and improved cooperation with other Reserve components has greatly increased the availability and level of support for all Service personnel and their families. One program hosted mainly by the National Guard is the Inter-Service Family Assistance Committees (ISFAC). An ISFAC is a committee that facilitates ongoing communication, involvement, support, and family readiness between all branches of the Service in a geographic area. These committees meet on a quarterly basis. The goal of an ISFAC is to increase communication between all branches of the Service to strengthen family well-being.

Through the ISFAC meetings, many ombudsmen and senior leadership become more familiar with the types of resources and services available at the military commands within the State and are able to provide families with more options on services. Many of our Navy Reserve families are in the Heartland of America and are not close to a Navy installation. Joining resources and sharing ideas with other Reserve components in an effort to reach out to families of all Services has proven to be an important aspect of family readiness throughout the Navy Reserve.

The Fleet and Family Support Program Regional Directors and Center Site Directors continue to reach out to Reserve IA families. The outreach includes pre-deployment briefs to members and families, offering tips in terms of how to stay connected with the deployed sailor, outlining Navy and civilian resources available to them during the deployment, and assuring them that they are available for the families if they have any needs.

The Command Ombudsman is another valuable resource for Reserve families. The Reserve Ombudsman program has grown into a robust program assisting families of all Reserve members and, in particular, the Reserve IAs and their families. Key ombudsmen from the Reserve community recently participated in a major "train the trainers" conference. Much of the conference addressed the unique needs of Reserve IAs and their families. The ombudsmen, in turn, will now train other Reserve ombudsmen so that all will have current, state-of-the-art information, resources, and tools to better serve the Reserve family.

Educating the family is a key aspect in retaining sailors. An educated family is more apt to encourage the servicemember to continue their career in the military. Reserve "Family Days" are a vital link in assisting families to be ready. Navy Operational Support Centers hold Family Days to provide "one stop shopping" of services and support for sailors to get family issues in order. Family Days include administrative support to update family member data, SGLI, family member identification card processing, legal assistance (simple wills and powers of attorney), presentations on Military OneSource, TRICARE, and American Red Cross, and representation from Veterans Service Organizations. Family Days give family members a much better understanding of the benefits and entitlements available to them. This is a venue where ombudsmen are able to market the ombudsman program and educate families on the services they provide. In addition, ombudsmen market their program through a newsletter or introductory letter sent to the families.

The Navy has also partnered with the National Association of Child Care Resource and Referral Agencies (NACCRRA) to provide accessible, affordable, and

quality child care where Navy programs are not operated. Navy Reserve personnel often come from cities and towns across America that are not close to a military installation where affordable, quality child care is available. Consequently, there is a need for short-term deployment child care spaces in local communities where families of deployed servicemembers reside. NACCRRA is the national network of more than 850 child care resource and referral (CCR&R) agencies located in every State and most communities across the country. CCR&R centers help families, child care providers, and communities provide and plan for affordable, quality child care. This partnership will assist Reserve families who live in remote and isolated areas with no access to military child care. Subsidies may be available to eligible patrons depending upon total family income, geographic location, Navy child care fee policy, and availability of military funding.

The Navy continues to identify ways to better assist our Reserve members and their families who serve our country with their contributions and sacrifices.

Mr. MCLAURIN. The Army provides assistance to all soldiers and families through a variety of methods. The Army National Guard (ARNG) has operated family readiness groups and family assistance center operations for over 20 years. Additionally, in fiscal year 2002, the ARNG enhanced their Family Assistance Centers program to provide families with information, referral, and limited outreach to support families throughout the mobilization cycle regardless of component or Service. The Army Reserve (USAR) has a web site that allows family, friends, employers, volunteers, and staff to access current information, take online training, and locate paid staff near their home for assistance. There is also a feedback feature that allows questions and concerns to be raised and addressed. The Department of Defense (DOD) operates Military OneSource, which provides 24/7 contact with personnel to assist in providing families with required support. Chaplains and MFLCs are also accessible to families in the event of crisis situations.

The Army has developed the Integrated Multi-Component Family Support Network (IMCFSN), which capitalizes on the strengths of each of the Army components to establish a comprehensive multi-agency approach for community support and services to meet the diverse needs of Active and mobilized Guard and Reserve Army families. The IMCFSN delivery concept is accomplished by training Active Army, ARNG, and USAR service providers on all authorized services and programs available to soldiers and families by each component; marketing services to families; and unifying collaboration of military and civilian service providers through an ISFAC. A pilot project confirmed that the IMCFSN can be used to meet the needs of geographically dispersed families. The data suggested that the IMCFSN provides providers, soldiers, and families a better understanding of services available and enhances networking between service providers of each component/Service. It also will reduce duplication of effort and provide geographical support where families actually live. Networked systems will provide families access to online knowledge sources and interconnect people and systems independent of time, location, or Service component. The IMCFSN will be implemented in fiscal year 2008.

General BRADY. As operations tempo increases and deployments lengthen, Guard and Reserve families are presented with many unique challenges not experienced by their civilian counterparts. Just as reservists are participating at far greater rates, family readiness work has grown to a 365-day a year program. The Reserves and Guard are working toward improving family readiness programs by making connections with families stronger, helping them become better prepared, and having a proactive outreach program to meet the needs of units and individuals.

Family Readiness Offices work with other on-base organizations, as well as those in the community for access to child care and youth resources and to sponsor special activities for children and spouses of deployed reservists, such as family dinners, holiday events, recreational fairs, family days, etc.

In particular, the Air Force Reserve is focusing on strengthening all predeployment, deployment, and post deployment airmen and family wellness programs. Reserve Family Readiness Offices provide pre-deployment "must know and must do" information in preparing for activations and mobilizations. They also provide support for spouses and families during deployment that includes 100 percent contact with each spouse and family through phone calls, newsletters, postcards, free phone and video calls, and Key Family Member Support Groups. These important programs help to keep families connected with their deployed spouse and up-to-date on programs offered by the home station.

For the geographically dispersed population of Guard and Reserve communities, methods of service delivery need to be quite flexible. Active Duty Airman and Family Readiness Centers and Reserve Family Readiness Offices are engaged in an active partnership to ensure all families are receiving services. This includes a range of support from individual and family life situations, crisis assistance, transition

and employment assistance, combat-wounded to mass casualty, natural disaster response, relief and recovery.

MFLCs, licensed counselors funded via a DOD contract, are used extensively by the Guard to provide an on-demand readiness support presence during drill weekends, mobilizations, or family events. Counselors are available to provide educational seminars for children and/or adults, or to meet with individuals on readiness related stress and issues.

Information and education is distributed via email and websites for Guard and Reserve, and through Military OneSource on topics such as "suddenly military," financial survival during deployments, parenting skills, and how to keep long-distance relationships healthy. DOD-funded Military OneSource uses toll-free telephone numbers and a website to deliver information and services 24 hours a day, 7 days a week, from any location in the world. Military OneSource provides access to pre-paid family assistance counseling services on issues ranging from parent-child communications to reunion and reintegration of the family following deployments. A separate section of Military OneSource now includes a page where community and military support organizations can post sponsored events to help connect families in their communities.

Through partnerships with three national organizations, Air Force has expanded its capability to provide other family support services to families in remote and rural areas not served by an Active Duty, Air National Guard (ANG), or Air Force Reserve (AFR) base. The greatest challenge to providing support for airmen living in remote areas lies in the difficulty of identifying the family members and their needs as well as continued funding to support these efforts. Families are rooted in their local communities and use those support networks and services and do not necessarily identify themselves as "military" families. However, even with this challenge, Air Force Services has offered several successful programs to reach out and provide opportunities for these ANG and AFR members and their families.

Air Force Home Community Care (HCC) program is an expanded child care initiative offered at 15 stateside locations. The Air Force HCC program provides free in-home quality child care services to ANG and AFR members during their scheduled drill weekends. HCC helps reduce the airman's out-of-pocket expenses by providing quality child care services to ANG and AFR members similar to those available to military members assigned to or living on a military installation.

Mission Youth Outreach is a partnership between Air Force Services and Boys & Girls Clubs of America that provides 1-year free membership for youth to attend any local Boys & Girls Club in their community. This program provides much needed support to youth in families of AFR, ANG, and Active Duty military personnel who may not live near a military installation and need a safe and positive place for youth to spend their out-of-school time.

4–H State Military Grants: Air Force Services Family Member Programs (FMP) partners with National 4–H Headquarters and Army Child and Youth Services to fund grants to States and territories establishing 4–H clubs on military installations, as well as providing support for youth of ANG and AFR members who are geographically dispersed. Since 4–H is located in every county in the United States, this partnership helps Air Force installations expand their reach and fosters stronger community partnerships for ANG and AFR families.

Operation Purple Youth Camps 2006: National Military Family Association (NMFA) developed this free summer camp program in response to the need for increased support for military children, especially those whose parents are or will be deployed. This year, NMFA Operation Purple Camps hosted more than 2,500 deserving youth at 26 locations across 22 States. Air Force youth programs conducted 7 of these camps: Eglin/Hurlburt, Hill, McChord, Mountain Home, Tinker, Wright-Patterson, and Nellis. As a result, Air Force bases hosted 22 percent of the total participants.

Military Child Care in Your Neighborhood (MCCYN) is a DOD-sponsored initiative designed to meet the child care needs of servicemembers living in off-base areas where on-base military child care is not available. Eligible members include recruiters, Reserve Officer Training Corps instructors, Military Entrance Processing Station personnel, and geographically dispersed members on independent duty assignments that cannot access the high quality, affordable care available on military installations. In the past, these families bore the full cost of their child care. Through MCCYN, Air Force families pay reduced fees for child care in their neighborhoods.

Operation Military Child Care (OMCC) addresses the need for greater child care availability and affordability for the Total Force during times of increased OPTEMPO. OMCC is a DOD-funded child care subsidy program designed to assist all activated ANG/AFR members with child care costs in their local communities, in State-licensed, off-installation family child care homes. Military members such as

recruiters, those who are geographically dispersed, on special duty assignments, and all military members in Active Duty status not assigned near a support base are eligible for subsidized child care. OMCC allows the Air Force to reach numerous families and assist our warfighters with the high cost of off-base child care in civilian communities.

PROGRAMS FOR FAMILIES OF THE NATIONAL GUARD AND RESERVES

2. Senator BYRD. Secretary Dominguez, what challenges are currently being experienced by the families of the National Guard and Reserves, specifically as they relate to access to health care services?

Mr. DOMINGUEZ. Families of National Guard and Reserve members ordered to Active Duty for a period of more than 30 days are made eligible in Defense Enrollment Eligibility Reporting System for TRICARE on the same basis as Active Duty family members (ADFM), and may experience challenges that are common to any ADFM. The TRICARE network of providers, institutions, and suppliers is established near Military Treatment Facilities (MTFs) and in other TRICARE Prime Service Areas (PSAs). Families who reside outside PSAs are offered the opportunity to enroll in TRICARE Prime Remote for ADFMs, as long as they were residing with their Reserve sponsor at the time of activation. However, they may need to rely upon non-network TRICARE authorized providers, institutions, and suppliers where they live. Scientifically, rigorous surveys show that 9 out of 10 civilian providers are aware of TRICARE and 8 of 10 accept new patients in TRICARE Standard.

Any inpatient facility that accepts Medicare is required by law to accept TRICARE for inpatient care. A Medicare approved individual provider is considered to be TRICARE approved unless the provider has been sanctioned. Although access problems are rare, we continue our efforts to link up providers and beneficiaries.

Any family member beneficiary may encounter challenges in learning to use TRICARE, but we have extensive informational materials available and constantly push them out in print and on the TRICARE Web site. These initiatives are further supported by TRICARE customer service personnel at MTFs and at call centers. Also, TRICARE provides briefings to Reserve and National Guard units.

3. Senator BYRD. Secretary Dominguez, when our National Guardsmen and reservists are wounded, their families often are required to travel great distances to support and be with them. What programs are in place or are being established to make this challenge more manageable?

Mr. DOMINGUEZ. When the National Guard and Reserve are in combat, they have been mobilized under Federal law and are entitled to travel and transportation benefits under title 37, chapter 7, section 411h. The military Services contact the families, arrange for their travel, and assist them as much as possible once they have arrived at the servicemember's bedside.

Response should incorporate references to the relevant Dole-Shalala Commission recommendations (see family support action steps—i.e. establish standby plan for family support, etc).

4. Senator BYRD. Ms. Raezer, you are in contact with the individuals affected by these programs and this hearing is being held to determine what is being done poorly, and what is being left undone in the support of our National Guard and Reserve families. What are the specific shortcomings of the current support initiatives that have come to your attention and how might they be addressed?

Ms. RAEZER. While support for National Guard and Reserve has improved dramatically since the beginning of the global war on terror, the challenges of distance, isolation, and unfamiliarity with the military lifestyle must continually be addressed. Geographically-isolated Guard and Reserve families depend on a growing but sometimes still patchy military support network. These families often find themselves a great distance from traditional military installation-based support facilities. They may also be far from the Guard armory or Reserve center where their servicemember trains. How then does the family learn about all their Active Duty benefits or receive answers about how to follow the rules? How do their children manage the stress of deployment when none of their classmates is experiencing the same thing? What happens when a deployment extension or "surge" affects National Guard or Reserve families who cannot rely on a military installation?

Following the President's January announcement of the troop surge to Iraq, the Minnesota National Guard created the model of how States can and should support their military families. It reached out aggressively to support affected families, beefing up an already-robust family readiness and training network. The State

Guard augmented this network with additional military family life health providers across the State. DOD also generated a Tiger Team to analyze needs and allocate resources to support families affected by the surge. With the announcement of more extensions, additional Tiger Teams were stood up to augment medical services, counseling resources, and legal services and to help with commercial obligations.

IAs (whether Guard, Reserve, or Active Duty) and their families are especially vulnerable to falling through the cracks. NMFA commends the Navy for its recognition of the challenges faced by IA families when their servicemembers have been deployed as individuals or small groups in support of ground combat operations. Families receive a toll-free number and access to a Web site providing information and a comment section for family questions related to deployment. The Navy Reserve has hired a full-time Family Support Manager to oversee Reserve military families' support. Five additional Family Support Managers will be in the field providing support to the "Prairie Navy." This new support structure has been hard-fought because of funding challenges. Yet, without these innovations in Navy family support, servicemembers who are in harm's way would have to work harder to resolve pay problems, housing issues, and family concerns.

Because Guard and Reserve families do not have access to military support services, programs such as Military OneSource are essential. NMFA encourages DOD to expand outreach about this 24–7 resource for servicemembers and their families.

Guard and Reserve families also need help from their communities. Several States have established military assistance funds. Community organizations provide moral support and assist when financial problems are caused by either a decrease in their household income or by paperwork complications. NMFA believes efforts to link community organizations—both public and private—with military families are critical. We applaud initiatives such as the North Carolina Citizen Soldier Support Program for building a network of support for isolated Guard and Reserve families.

ELECTRONIC TRANSFER OF RECORDS

5. Senator BYRD. Secretary Dominguez, when our National Guardsmen return wounded or injured they have to tackle the DOD, National Guard, and Veterans Affairs (VA) bureaucracy when transitioning from DOD medical care to VA medical care and in obtaining their disability and compensation ratings. The electronic transfer of records between these agencies would dramatically expedite this process. Congress has been funding electronic record keeping and interoperable electronic transfer programs since the 1980s. Since the establishment of such a program would mitigate the length of time these individuals spend in transition, and improve the quality of their lives and the lives of their families, when can we expect to see an effective electronic records transfer program being fully implemented?

Mr. DOMINGUEZ. The DOD and the VA share a significant amount of health information today. Beginning electronic sharing in 2002, the Departments are constantly seeking to expand the scope of their capabilities. By the end of 2007, DOD will be sharing electronically with VA nearly every health record data element identified in our VA/DOD Joint Strategic Plan (JSP) for health information transfer. By 2008, we will be sharing the remaining health record data elements identified in the VA/DOD JSP.

Currently shared electronic medical record data:

- Inpatient and outpatient laboratory and radiology results, allergy data, outpatient pharmacy data, and demographic data are viewable by DOD and VA providers on shared patients through Bidirectional Health Information Exchange (BHIE). BHIE data are available from 15 DOD medical centers, 18 hospitals, over 190 clinics, and all VA facilities.
- Digital radiology images are being electronically transmitted from Walter Reed Army Medical Center (WRAMC), Brooke Army Medical Center, and National Naval Medical Center (NNMC) Bethesda to the Tampa, Palo Alto, Minneapolis, and Richmond VA Polytrauma Centers for inpatients being transferred there for care.
- Electronic transmission of scanned medical records on severely injured patients transferred as inpatients from WRAMC and NNMC to the Tampa, Palo Alto, Minneapolis, and Richmond VA Polytrauma Centers.
- Pre- and Post-deployment Health Assessments and Post-deployment Health Reassessments for separated servicemembers and demobilized Reserve and National Guard members who have deployed.
- When a servicemember ends their term in service, DOD transmits to VA laboratory results, radiology results, outpatient pharmacy data, allergy in-

formation, consult reports, admission, disposition and transfer information, elements of the standard ambulatory data record, and demographic data.
• Discharge summaries from 8 of the 13 DOD medical centers and hospitals using the Clinical Information System (CIS) to document inpatient care are available to VA on shared patients. These sites include the facilities in the National Capitol Area, WRAMC, Malcolm Grow Medical Center, Dewitt Army Community Hospital, and NNMC Bethesda.

Enhancement plans for 2007:

• Expanding the electronic transmission of scanned medical records on severely injured patients from WRAMC, NNMC, and BAMC to all four VA Polytrauma Centers.
• Making discharge summaries, operative reports, inpatient consults, and histories and physicals available for viewing by all DOD and VA providers from inpatient data at all 13 DOD medical centers and hospitals using CIS.
• Making encounters/clinical notes, procedures, and problem lists available to DOD and VA providers through BHIE.
• Making theater outpatient encounters, inpatient and outpatient laboratory and radiology results, pharmacy data, inpatient encounters to include clinical notes, discharge summaries, and operative reports available to all DOD and VA providers via BHIE.
• Beginning collaboration efforts on a DOD and VA joint solution for documentation of inpatient care.

Enhancement plans for 2008:

• Making vital sign data, family history, social history, other history, and questionnaires/forms available to DOD and VA providers through BHIE.
• Making discharge summaries, operative reports, inpatient consults, and histories and physicals available to VA on shared patients at Landstuhl Regional Medical Center, Germany.

QUESTIONS SUBMITTED BY SENATOR MARK L. PRYOR

SPOUSE EMPLOYMENT

6. Senator PRYOR. Lieutenant General Brady, spouse employment can be quite a problem for military families, especially when personnel are required to move frequently. New communities with different economies present a unique challenge to working spouses, and can be even more difficult when a military family is stationed overseas. What programs are available for military households who seek two incomes either domestically or abroad?

General BRADY. The Department is committed to helping military spouses pursue rewarding careers and achieve educational and training goals by partnering with the States, the private sector, and other Federal agencies. We are actively working with Department of Labor (DOL) to ensure military spouses receive education and training support via Workforce Investment Act funds.

Further, we are partnering with national associations and employers around careers in high-growth industries with mobile and portable careers, such as medical transcription, financial services, education, and real estate to establish spouses as a target employee pool and to remove career licensing barriers at the State level. We have created "Spouses as Teachers," and this year expanded it beyond the United States to the United States European Command and United States Pacific Command.

We have established a collaborative DOD/DOL Web site (www.milspouse.org) to assist spouses with résumé development, identifying career opportunities, identifying and finding available training, and linking to One Stop Career Centers which support the local workforce economy for each respective location.

To help spouses find employment when they move, we have also partnered with military.com, a division of monster.com, in developing the Web site portal: www.military.com/spouse, where spouses can post their résumés and conduct job searches for Federal and private sector jobs near their new installation.

Spouse employment overseas continues to be a challenge, due to limited opportunities and Status of Forces Agreement requirements. Spouses are encouraged to contact their local legal office for guidance for home-based businesses, telework, and host nation employment.

REINTEGRATION PROGRAMS

7. Senator PRYOR. Secretary Dominguez, the war on terror has created horrific trauma to our troops engaged in combat. Many are returning with severe, life altering injuries that require a difficult and extremely challenging rehabilitation process. Reintegration programs are a critical factor in overcoming the adversity of being physically wounded, and a seamless transition for these troops is vitally important. In addition to survivor assistance initiatives, what other programs are available to support personnel who, for example, are confined to a wheelchair and now require wheelchair accessible housing?

Mr. DOMINGUEZ. An integrated team of medical, social work, and support staff engage in discharge planning early in the hospitalization and recuperation phase. Each plan is tailored to meet the individual needs of each servicemember and his or her family. The team conducts an assessment-based effort to address medical care and quality of life issues such as:

- Housing (is adaptive housing needed?)
- Transportation (will vehicles need to be adapted to accommodate special needs?)
- Civilian employment of the servicemember or family
- Child care
- Counseling
- Family support
- Follow-on health care and access to appropriate health care resources, as needed
- Integration of benefits and services at the Federal level by the DOD, VA, and Labor; State, regional, and local level; and community-based nonprofit and volunteer organizations

"Heroes to Hometowns" is a DOD program in partnership with the American Legion, State Directors of VA, and communities across the Nation. The transition program for severely injured servicemembers returning home from Operation Enduring Freedom/Operation Iraqi Freedom establishes a support network and coordinates resources for severely injured servicemembers returning home. Information is made available through the Internet and other outreach activities.

One example of this type of community involvement is the California-based Sentinels of Freedom. The organization created a program that, through local donations of time, money, goods, and services, scholarship recipients receive housing, transportation, employment, and education assistance, and connects severely injured servicemembers and their families to a team of caring volunteers who provide guidance, mentoring, and friendship during a 4-year program. To date, four servicemembers have been assisted with this long-term support; other candidates await placement.

Other private non-support organizations provide housing (Homes for Our Troops), adaptive transportation (Roll-X 'Vans for Vets'), therapy dogs (Paw-Pals.org), assistance with air travel (Hero Miles), and temporary lodging at military and VA facilities (Fisher House). These are only a few of many organizations that have partnered to provide support and services at the community level for severely injured servicemembers and their families.

Some useful Uniform Resource Locators are:

- www.legion.org/?content=heroes2hometown
- cs.itc.dod.mil/files/content/AllPublic/Workspaces/QOL-LIBRARY-PUBLIC/MilitaryHOMEFRONT/186199.html
- www.sentinelsoffreedom.org/
- www.homesforourtroops.org/site/PageServer
- www.paw-pals.org/page/page/1426468.htm
- www.fisherhouse.org/

ACCESS TO HEALTH PROFESSIONALS

8. Senator PRYOR. Mr. McLaurin, traumatic brain injury and post-traumatic stress disorder have created an increased demand for mental health services. In addition to clinical social workers, marriage and family therapists, ombudsmen, case managers, and counselors, do you believe there are enough licensed mental health professionals to provide adequate assessment, referral, and counseling for those servicemembers seeking mental health treatment?

Mr. MCLAURIN. There are adequate counselors to provide family and marital counseling through MilitaryOneSource, family support, chaplain, and family advocacy systems. As of January 2007, the DOD total branch uniformed mental health

clinical staffing levels are as follows: psychiatrists = 85 percent; clinical psychologists = 78 percent; social workers = 75 percent; psychiatric nurses = 129 percent; and psychiatric technicians = 98 percent. These statistics do not include military to civilian conversions, highly significant in one branch where, for example, civilian psychologists outnumber uniformed by almost 3:1. They also do not include contracted services within our MTFs or reflect the role of the managed care support contractor network providers.

The final report from the Task Force on Mental Health, expected in June 2007, will include recommendations regarding DOD staffing of mental health professionals.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

RECRUITMENT

9. Senator CHAMBLISS. Secretary Dominguez, at our Armed Services Committee hearing yesterday, General McCaffrey commented that the DOD's recruitment numbers are skewed for several reasons, including a lack of standardization in how recruits are counted, and that DOD is meeting recruitment goals because, among other reasons, recruitment standards have been lowered. Do you agree with this assessment?

Mr. DOMINGUEZ. No, I do not agree with this assessment. DOD standards are explicit and stable. In fact, we have not lowered our quality standards since they were established in 1990. The Department's recruit quality benchmarks require 60 percent of the fiscal year non-prior service accessions to score at or above average on the enlistment aptitude test and 90 percent of those accessions to be high school diploma graduates.

With respect to our numeric counting system, the Department measures and reports recruiting in a standard way—total accessions against goals.

10. Senator CHAMBLISS. Secretary Dominguez, is there a standardized way in which DOD measures recruiting and retention for Active-Duty and Reserve component personnel, and if not, why not?

Mr. DOMINGUEZ. Yes, the Department does have a standardized way in which it measures recruiting and retention.

Recruiting: The Department measures and reports total accessions against goals. With regard to enlistment standards, the Department has not changed the recruit quality enlistment standards since 1990. The Department's recruit quality benchmarks require 60 percent of the fiscal year non-prior service accessions to score at or above average on the enlistment aptitude test and 90 percent of those accessions to be high school diploma graduates.

Retention: Measuring and reporting retention is standard within each Service and component. The Active components measure retention rates, while the Reserve components assess attrition rates as a measure of losses.

CASE MANAGERS

11. Senator CHAMBLISS. Secretary Dominguez, at this point, I understand that DOD only has regulations related to the number of case managers required to manage personnel in a medical hold status. Consequently, there are no regulations for the ratio of case managers to personnel for Active-Duty personnel in a medical hold status. Should DOD establish a requirement and a standard for case managers for Active-Duty personnel in medical hold?

Mr. DOMINGUEZ. The ratio for case management to personnel is not a one-size-fits-all answer. The DOD Medical Management Guide, dated January 2006. outlines a suggested caseload for case managers. The ratio is determined by several factors, to include the experience of the case manager, MTF, community-based resources, and other variables. Currently, DOD supports the Case Management Society of America's recommendations that are based on acuity of the patient as illustrated in the following table:

Level	Amount	Type
Acute	8–10 cases	Early injury/illness stages (case manager performs all coordination).
Mixed	25–35 cases	Acute and chronic cases (some requiring semi-annual or annual follow-up, some needed full-time CM coordination).
Chronic	35–50 cases	Cases requiring 1–2 hours follow-up/month.

12. Senator CHAMBLISS. Secretary Dominguez, should DOD establish prescribed regulations related to the duties and responsibilities of DOD case managers of medical hold and holdover personnel, to include being an advocate for the patient during the process?

Mr. DOMINGUEZ. The DOD TRICARE Management Activity Medical Management Guide, dated January 2006, provides guidance for case managers on duties and responsibilities, including special considerations for Active Duty servicemembers. Additionally, DOD has an instruction (DODI 6025.20, Medical Management (MM) Programs in the Direct Care System (DCS) and Remote Areas) which gives specific guidance on responsibilities for not only case management, but disease and utilization management. Additionally, there are Web-based modules available for case management training.

13. Senator CHAMBLISS. Secretary Dominguez, should there be a required training program for case managers and regulations that govern their specific responsibilities on behalf of servicemembers?

Mr. DOMINGUEZ. Yes, the TRICARE Management Activity (TMA) provides MM training, which includes case management. Additionally, the DOD has an instruction (DODI 6025.20, MM Programs in the DCS and Remote Areas) which provides MTFs, case managers, and leadership specific guidance on responsibilities for not only case management, but disease and utilization management. Additionally, there are web-based modules available for case management training.

14. Senator CHAMBLISS. Secretary Dominguez, should there be a regulation requiring a certain percentage of case managers to be DOD civilians or military personnel as opposed to contractors, and in the event that contractors are utilized, what should be done to ensure the medical holdover mission is not compromised and that our soldiers receive the necessary advocacy when they are in a medical holdover unit?

Mr. DOMINGUEZ. The need for case management services can be expected to change over time. Contracting creates flexibility to match the workforce to the local workload. Contracting for case management services does present a risk for relatively sudden and simultaneous disruptions in continuity of care as contracts are re-bid. Careful planning and oversight by military or civilian personnel is appropriate. It seems important to have a core of DOD civilian or uniformed case managers, potentially augmented by contractor case managers, depending on the OPTEMPO and clinical intensity of needs for the population to be served. The optimal mix of DOD uniformed, DOD civilian, and contractor case managers may need to be determined locally.

MEDICAL EVALUATION BOARD AND PHYSICAL EVALUATION BOARD PROCESS

15. Senator CHAMBLISS. Secretary Dominguez, at this point VA personnel are rarely embedded within the Medical Evaluation Board and Physical Evaluation Board (MEB/PEB) process to help with the transition process. How might embedding VA personnel affect the MEB/PEB process and from our servicemembers' perspective, that this would be a good idea?

Mr. DOMINGUEZ. VA participation in the process could be helpful, and we are working with the VA to increase their involvement. We are looking at increasing VA liaison personnel in our MTFs, involving the VA in the process to determine a single disability rating, and more VA visibility in case management and tracking. We are also reviewing the Navy's recently released Severely Injured Marines and Sailors Pilot Program, which examined the pros and cons of an accelerated disability retirement program in order to maximize compensation and benefits to the most severely injured. The Navy conducted this pilot program in collaboration with the VA.

16. Senator CHAMBLISS. Secretary Dominguez, how could VA personnel begin working with soldiers and possibly take charge of their paperwork and medical requirements once it is clear that a servicemember cannot be retained in the Service?

Mr. DOMINGUEZ. We are looking at increasing VA liaison personnel in our MTFs, involving the VA in the process to determine a single disability rating, and more VA visibility in case management and tracking. We are also reviewing the Navy's recently released Severely Injured Marines and Sailors Pilot Program, which examined the pros and cons of an accelerated disability retirement program in order to maximize compensation and benefits to the most severely injured. The Navy conducted this pilot program in collaboration with the VA.

17. Senator CHAMBLISS. Secretary Dominguez, the MEB/PEB process that was established in the 1970s is out-dated and is extremely bureaucratic. For an Active-Duty servicemember, the process requires between 22 and 27 pieces of paper (although I understand you are whittling that down), and even more for a National Guard or Reserve member. How can we streamline the MEB/PEB process and what can we change to make it more efficient and cause it to better serve our men and women in uniform?

Mr. DOMINGUEZ. The Disability Evaluation System (DES), which consists of the MEB and PEB processes, is complex, sometimes adversarial, and burdensome. Much of that is related to the statutory imperative for a fair and impartial system that affords due process protections (boards, legal representation, witnesses, an appellate process, etc.). The DES, as set forth in statute, allows the Department to provide additional guidance, but ultimately, the Secretaries of the Military Departments operate their DES consistent with their roles and missions, and apply ratings in accordance with how they interpret application of the VA Rating Schedule for Disabilities (VASRD).

The complex and adversarial nature of the DES is partially a result of the magnitude of the benefits associated with the decisions on the rating. The disability rating determines whether the individual will separate with severance or with retirement benefits. For many, there is strong motivation to be declared fit to remain in uniform, despite injuries that would suggest otherwise.

There are concerns that the VASRD has not kept current with the knowledge and service job environment, especially for brain injuries and pain as compared to other more physical injuries.

WOUNDED WARRIOR PROGRAM

18. Senator CHAMBLISS. Secretary Dominguez, the Army has established the Wounded Warrior hotline for soldiers and families to call to discuss any issues related to their care, and to consolidate issues/lessons learned. Are you satisfied with how DOD is collecting lessons learned in this area?

Mr. DOMINGUEZ. Yes! The military Services continue to evaluate and adjust service delivery programs as the needs arise. This is most visible with the advent of specialized programs that, in the past 2 years, have evolved into robust, responsive programs to support the severely injured: the Army's Wounded Warrior Program, the Navy's Safe Harbor Program, the Marine Corps' Marine4Life-Injured Support Program, and the Air Force's Palace Helping Airmen Recover Together Program.

The establishment of the new United States Army's helpline is a good case in point. While other feedback programs were available, it appears that some soldiers may have been reluctant to use them. The new program provides avenues where soldiers can identify individual needs and the Army can address those needs quickly and efficiently. In the event systemic issues arise, the Army and other military Services maintain a close working relationship with the Office of the Secretary of Defense's Military Severely Injured Center and the Military Community and Family Policy office. These offices serve as a conduit for implementing change.

19. Senator CHAMBLISS. Secretary Dominguez, do you believe a confidentiality statement should be required?

Mr. DOMINGUEZ. Privacy and confidentiality are essential to reduce the fear of stigmatization when seeking counseling services and support. For that reason, it is a key component of all short-term, situational, problem-solving, nonmedical counseling services provided in the DOD.

To encourage the widest level of participation, all counseling is private and confidential, with the exception of mandatory State, Federal, and military reporting requirements such as child abuse and "duty to warn" situations. Situations that meet clinical diagnostic criteria are referred to military medical health care providers or TRICARE.

20. Senator CHAMBLISS. Secretary Dominguez, what is DOD's feedback system for ensuring that lessons learned actually get acted upon and how lessons learned are communicated across not only the Army, but Defense-wide?

Mr. DOMINGUEZ. Reviewing lessons learned to ensure corrective action is an integral part of military operations. At the unit level, after action reviews are the norm following any operation. Each of the military Services has robust Centers for Lessons Learned to ensure that systemic issues are addressed in order to benefit all who serve.

Prior to the standup of the DOD–VA Senior Oversight Committee (SOC) the Office of the Secretary of Defense (OSD) Military Severely Injured (MSI) Center acted as a central repository of information and lessons learned. The MSI Center would receive and disseminate information as appropriate to the Services to ensure they were up to date on issues involving the severely injured. "Purple issues" or issues which applied to injured across the Services, were analyzed by OSD to be resolved through improved coordination, revised policy, and/or legislative relief. Today, the Service severely injured programs are in frequent contact with one another, sharing all pertinent information that might benefit the injured and their families.

The SOC, which meets weekly, and the supporting DOD Task Force are now the logical venues by which lessons learned are vetted and distributed to both the Services and to our counterparts in VA. Each SOC Line of Action is supported by the work of a joint, multi-disciplinary working group, which provides additional avenues for ensuring the latest is passed through the Department.

Finally, the Joint Executive Council and its subordinate groups, the Health Executive Council and Benefits Executive Council, all joint groups with membership from DOD, the Services, and the VA, have been formal focal points for the collection of lessons learned since their inception. These are the organizations specifically established to ensure collaboration among the member agencies for addressing health, benefits, and other significant issues affecting all our servicemembers and veterans, to include the severely injured and their families.

LANGUAGE AND CULTURAL TRAINING

21. Senator CHAMBLISS. Secretary Dominguez, there is a desperate requirement for language and cultural training for servicemembers deploying to the U.S. Central Command area of responsibility. During Vietnam, I understand that some soldiers were required to receive 90 days of immersion training. What is the current DOD requirement in this area and do you believe more training in this area is necessary?

Mr. DOMINGUEZ. All troops receive the appropriate language and cultural awareness training prior to deploying. Approaches to this training vary based on mission requirements and include focused training provided by Mobile Training Teams and Defense Language Institute Foreign Language Center materials to provide tailored just-in-time training for short-term needs. Cultural awareness (CA) instruction highlights the differences between Middle Eastern and American cultures. Language training (either Iraqi or Pashto/Dari) is provided to familiarize servicemembers with common phrases they will hear in theater. "Smart Cards," laminated, tri-fold, CA information cards are issued to troops prior to deployment. Information on the cards consists of common phrases, cultural tips, instant two-way communications via picture symbols, etc. Combat Training Centers, home stations, and mobilization sites integrate CA training and language into Situational Training Exercises. These scenarios incorporate native-speaking role players to replicate the contemporary operating environment. Online training options, such as downloadable language and cultural training modules, are also available to the force.

Language training and CA programs in support of operational deployments are in place. The Services are monitoring to ensure long-term benefits, but it is still too soon to fully assess some of the programs' effectiveness. A general consensus reveals there is a positive effect, but until the programs reach full maturity, results will remain hard to measure. We will continue to monitor the effectiveness of the cultural and language training provided to deploying forces. Additional training will be instituted based on ongoing assessments of the results achieved by these programs.

BASE REALIGNMENT AND CLOSURE

22. Senator CHAMBLISS. Secretary Dominguez, the convergence of Base Realignment and Closure (BRAC) implementation, global restationing, and Army transformation is creating concerns and responsibilities for impacted communities. Although community growth is generally a welcome problem, it does bring with it some issues that need to be addressed. Roughly 30,000 school-aged children will be transitioning to these communities over the next few years, and I am greatly concerned about the effect on the school systems in these communities regarding the teacher-to-student ratio, school supplies, access to technology, space and classroom facilities, and basic school infrastructure. There is some relief through Impact Aid, but that is just a drop in the bucket toward making a difference in what these communities really need. Although the responsibility to take care of these communities doesn't fall specifically on DOD, the welfare of military families is a great concern to DOD. What discussions have gone on in relation to the issue of planning and as-

sistance to local communities who will be impacted by BRAC and the other factors I have mentioned, and what is your office doing to ease this transition and ensure that the welfare of our military families is not compromised?

Mr. DOMINGUEZ. Even though elementary and secondary education is the jurisdiction of the State and local governments, the Department realizes that one of the major factors in retaining the most capable personnel is providing quality educational experiences for servicemembers and their families. Therefore, the Department has a vested interest in quality education for military families.

The Department is eager to support school systems that are highly impacted by base realignments. However, the Department recommends the name be changed to: "Educational Assistance to Highly Impacted Local Education Agencies (LEA) per Public Law 109–364, section 574." In addition, that funding is placed in the Department of Defense Education Activity (DODEA) budget line for Collaboration/Presidential Initiatives that are intended to share educational excellence with local communities impacted by realignment to mitigate the pressure on LEAs. This is authorized by a new Public Law 109–364, section 574—"Plan and authority to assist local educational agencies experiencing growth in enrollment due to force structure changes, relocation of military units or base closure and realignments." DODEA is recognized as a high-quality school system with exceptional student performance.

The Department is committed to working with and assisting LEAs to ensure that the welfare of our military families is not compromised. The Department has funded such resources as the Johns Hopkins Military Child Initiative, to help communities and school districts provide support to children of military families in transition and promote opportunities for success.

DODEA has also developed expertise to address the issues of both transition and quality education for military students. It has been given the legislative authority to begin providing technical assistance and expertise to meet some of the challenges of providing quality education opportunities for military students. This is available to any LEA that is receiving a large number of military students which requests this assistance.

In addition, DOD has collected best practices from communities that experienced growth and offered communities and schools a wide range of ideas and technical assistance in identifying resources for financial and facilities planning that have been used successfully by growth communities. These practices and expertise were shared with teams from 17 impacted communities at a November 2006 Conference on Education in Atlanta, GA.

Finally, the Department's Office of Economic Adjustment is planning visits to impacted communities to include experts on school expansion and transition to be able to continue its assistance to communities who will receive additional military students.

MILITARY TREATMENT FACILITY SURVEYS

23. Senator CHAMBLISS. Secretary Dominguez, I understand that both the TMA and the individual Services conduct surveys to determine the level of satisfaction that servicemembers have with the healthcare they receive. I am concerned that the surveying being done to date occurs at only specific times of the year, is not ongoing, and that this critical feedback is not made available in a timely manner to professionals at the individual MTFs who could in turn use the data to make quality improvements as needed. What can DOD do, going forward, to gather this critically important patient satisfaction data on a more frequent basis and to ensure that the results are made available to supervisors at the MTFs in a timely manner?

Mr. DOMINGUEZ. Beneficiary satisfaction surveys are currently conducted by TMA in the outpatient and inpatient selling in both the direct care and purchase care environments. Additionally, TMA surveys a representative sample of all 9.2 million beneficiaries with regard to many aspects of the health plan. All of these surveys use questions that are nationally validated and can be used to benchmark the performance of the Military Health System (MHS) to national health plans. The results are tied to nationally recognized and proven methods for effecting change, i.e., improving satisfaction.

For all of these surveys, feedback is provided to the MTFs and included in the survey on at least a quarterly basis. In addition, the Services conduct provider level surveys that furnish outpatient, direct care feedback to the MTFs.

TMA is working with the Services and the TRICARE Regional Offices (TROs) to develop a survey program that will continue to provide leadership with an organizational perspective of beneficiary satisfaction (currently required quarterly). In addition, TMA will soon begin working with the Services and the TROs to survey on

a more frequent, granular level to provide detailed and frequent feedback on beneficiaries' perspectives of their health care.

24. Senator CHAMBLISS. Secretary Dominguez, does DOD have any plans to ensure administrators and supervisors in positions to affect change at the MTFs have access to not only their quality scores but also to evidence-based information and guidance they can use to make improvements for the benefit of the 9.3 million servicemembers and dependents who rely on the MHS?

Mr. DOMINGUEZ. Health care executives, providers, and purchasers seek performance measures to determine the quality of care provided by the health care organizations in the United States. MHS staff members actively participate in the development, review, and acceptance of quality measures established by organizations such as the National Quality Forum and the Agency for Health Care Research and Quality. The DOD utilizes these nationally recognized clinical quality measures as well as accreditation by external agencies with industry accepted standards to assess the care provided in the MHS. Within DOD, the direct care system utilizes multiple modalities to assist administrators, supervisors, and clinical leaders in assessing the delivery of quality health care, using evidenced-based guidelines to improve care, and monitoring the health status of DOD beneficiaries. Health outcomes are the end results of health care interventions. Currently, DOD uses four separate and distinct programs to evaluate health outcomes and health care quality:

- Joint Commission on Accreditation of Health Care Organizations ORYX® Performance Measures
- National Perinatal Information Center (NPIC) Benchmark Database
- National Quality Management Program (NQMP) Special Studies
- The MHS Population Health Portal and Health Plan Employer Data and Information Set (HEDIS®)

The ORYX® and NPIC programs use recognized and validated measures that allow DOD to compare its performance to national norms. NQMP Special Studies use a combination of DOD-specific norms and national norms to assess the care provided. The availability of nationally comparative data allows systems to focus effort and resources on the areas with the greatest opportunity for improvement. It also allows organizations, such as the MHS, to identify, understand, and reproduce best practices and high functioning micro-systems. The use of consensus measures to identify strengths and weaknesses is only a first step. Consensus measures are most effective when they are closely linked to leadership-directed performance improvement.

The National Committee for Quality Assurance developed the HEDIS® to provide reliable, comparative data about health care quality, using data from health plans across the country. The MHS Population Health Portal uses methodologies similar to HEDIS® to monitor how well MTFs deliver preventive care (e.g., breast cancer screening, cervical cancer screening), and how well members with acute illnesses (e.g., acute myocardial infarction) or chronic diseases (e.g., asthma, diabetes) are managed to avoid or minimize complications. Current clinical performance measures based on HEDIS® methodologies include:

- Cervical cancer screening rates (Pap tests)
- Breast cancer screening rates (mammography)
- Use of appropriate medications for people with asthma
- Diabetes care (HbA1c testing and control, retinal exams, low density lipoprotein screening and control)

The data for these clinical performance metrics were gathered from an MHS electronic central database, which includes inpatient, outpatient, and pharmacy information. Reports on the clinical performance measures, with comparative data internal and external to the MTF, are provided to MTF and MHS leadership. Clinicians can continually monitor the status of the patients they serve to ensure their health care needs are met.

The ready availability of performance measures through the MHS Population Health Portal permits visibility of clinical performance information at all levels of the MHS, from providers through senior leadership. Actionable information permits providers to deliver timely, evidence-based medical services. Aggregate data permit MHS leadership to assess the performance of the health care delivery system overall. Incorporation of HEDIS® and ORYX® measures into the MHS Balanced Scorecard demonstrates the importance of these measures to the Department.

25. Senator CHAMBLISS. Secretary Dominguez, what plans, if any, does DOD have to ensure patient satisfaction surveys are done in a more integrated and efficient process between the different branches of Service?

Mr. DOMINGUEZ. Currently, representatives from the Services meet quarterly, and on an ad hoc basis as required, with TMA to integrate and increase the efficiency of a multi-layered beneficiary satisfaction survey program. Recent efforts have focused on the development of a common instrument to be used at the MTF provider level across the Services and to include specific questions common to the Services and TMA level surveys. TMA will continue to work with the Services to further integrate the important perspectives of our beneficiaries relative to care provided across the MHS.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

DOD SCHOOL CONSTRUCTION AND RECAPITALIZATION

26. Senator MCCAIN. Secretary Dominguez, over the past 3 years, military construction funding for schools within the DODEA has decreased by over 60 percent from $99.4 million in 2006 to $37.9 million in the budget request for fiscal year 2008. Even more disturbing, none of the funds requested for fiscal year 2008 will be used to replace an existing school, only to expand facilities, mostly overseas. Furthermore, only $2 million of the $34.5 million for new construction in fiscal year 2008 will be for domestic schools at a time when DOD plans to realign over 100,000 personnel and their families back to the United States from overseas locations. Why is the Department's military construction investment plan for DOD schools decreasing at a time when requirements as a result of force structure realignments and end strength increases are expanding, particularly for schools in the United States?

Mr. DOMINGUEZ. DODEA's military construction program is developed from two major types of projects: (1) those that support existing requirements, and (2) those that support a change in requirements due to the troop realignment of the military Services.

In fiscal year 2008, the projects that support DODEA's existing requirements had program funding of $34.5 million. Funding for existing requirements totaled $65.6 million in fiscal year 2006 and $46.2 million in fiscal year 2007. Most of the requested $34.5 million in fiscal year 2008 is targeted for projects to replace the following existing facilities:

- Wiesbaden High School ($15.4 million): Project replaces the existing gym, whole classroom building, and converts small gym facility into cafeteria.
- Brussels Elementary/High School ($5.9 million): Project replaces existing gym, music, and art facilities.
- DeLalio Elementary School, Camp Lejeune ($2.0 million): Project replaces existing gym and art facilities.

The other two projects provide multi-purpose facilities in Europe that support the existing educational program.

The change in military construction requirements that support military troop realignments explains the more significant decrease in funding across the past 3 fiscal years. In fiscal year 2006 and fiscal year 2007, $35.8 million and $47.3 million were programmed, respectively, for these types of requirements. In fiscal year 2008, only $3.4 million is programmed for design efforts related to troop realignments.

DODEA works closely with the military Services on all troop movements that impact DODEA school locations. Projects requiring new capacity as a result of military troop relocations, including relocations to the United States, are scheduled and funded in the appropriate timeframe. Note that only troop rotations to the DOD domestic school locations will warrant new school construction. All of the fiscal year 2008 projects are requirements coordinated with the military Services and are located on enduring installations.

27. Senator MCCAIN. Secretary Dominguez, does DOD maintain a set of standards by which all schools in the DODEA system are assessed? If so, can you provide those standards and an assessment of whether the schools in the DODEA inventory meet those standards?

Mr. DOMINGUEZ. The Department uses Quality Ratings (Q-Rating) as a standard or measure to assess the condition of all of its facilities, including the schools in DODEA. A Q-Rating is calculated as the ratio of current maintenance and repair needs to plant replacement value. The resulting percentages are then aligned against the Department's Q-Rating guidance to determine the overall rating of the facility. DODEA has been an active participant in the Q-Rating Working Group since its formation and has contracted independent architectural and engineering firms to assess school facilities since 2002. The table below provides a breakout of Q-Ratings for DODEA school facilities:

Rating	General Description	Percent of DODEA Buildings
Q–1	Facility new or well maintained	24.1
Q–2	Facility is satisfactorily maintained	11.6
Q–3	Facility is under maintained	25.5
Q–4	Facility should be considered for replacement	38.8

28. Senator MCCAIN. Secretary Dominguez, does the budget request for fiscal year 2008 for DODEA meet the budget goal established by DOD to invest in the recapitalization (renovation and replacement) of facilities at a rate equal to a 67-year total replacement cycle? If not, why not?

Mr. DOMINGUEZ. When developing the fiscal year 2008 budget, the Department balanced DODEA's facilities requirements along with its core educational requirements, resulting in a shortfall in funding for recapitalization. There remains a facilities requirements backlog, but all safety and security projects are given priority. If additional funding becomes available, it will be directed towards DODEA's recapitalization requirements.

29. Senator MCCAIN. Secretary Dominguez, what would be the required annual level of investment in military construction, restoration, and modernization by DODEA to meet DOD's recapitalization goal?

Mr. DOMINGUEZ. Based on the current DOD 67-year recapitalization goal, DODEA would require an additional $51 million in fiscal year 2008 and $37 million in fiscal year 2009.

FACILITY SUSTAINMENT FUNDING FOR SCHOOLS

30. Senator MCCAIN. Secretary Dominguez, over the past 3 years, funding for schools within the DODEA to support facility sustainment, restoration, and modernization has fallen short, by up to 36 percent, of goals established by the DOD for a minimally acceptable annual level of funding required to sustain facilities. This means that projects to fix roofs, repair air conditioning, and to correct critical safety deficiencies are being deferred in order to pay for other priorities. This is the same type of problem that affected Building 18 at WRAMC, only this time, it is the children of our servicemembers who are subjected to deteriorated conditions. Currently, DODEA has an unfunded backlog of over $33 million for critical repair projects, such as asbestos removal, radon and lead testing, replacement of fire doors, suppression and alarm systems, repair of heating boilers, in addition to roof replacements, floor repairs, etc. As an aside, DODEA receives about $1.5 billion annually in operations and maintenance funds for DODEA schools worldwide and, of that amount, has averaged about $65 million annually for facility sustainment funding. Given the relative impact to DODEA's overall operating budget, is this risk to our military's children posed by deteriorated school conditions acceptable to the Department? If not, what is the Department's plan to address these critical facility requirements immediately in fiscal year 2007?

Mr. DOMINGUEZ. The Department manages risk by conducting regularly scheduled inspections of DODEA school facilities. The military community helps inspect all DODEA facilities twice a year; once prior to school opening in August and the second in the spring timeframe. All life-safety concerns are corrected as recommended by the military inspectors. In addition, triennial inspections are conducted by an independent architectural engineering firm which assesses over 30 building and exterior components based on an up-to-date industry standard process. From these annual and triennial inspections, deficiencies are identified and projects are funded based on critical life safety factors.

There remains a facilities requirements backlog, but all safety and security projects are given priority. If additional funding becomes available during fiscal year 2007, more identified projects will be completed.

31. Senator MCCAIN. Secretary Dominguez, what would be the required annual level of investment in facility sustainment by DODEA to meet the DOD goal to include in the budget request funding for 100 percent of the total sustainment requirement?

Mr. DOMINGUEZ. An additional $30 million annually would be required to meet 100 percent of the total sustainment requirement based on the DOD sustainment model.

CHILD DEVELOPMENT CENTERS

32. Senator McCain. Secretary Dominguez, I noted in your witness statement on the subject of child care that you describe an emergency intervention strategy to address the most pressing child care needs at locations affected by high deployments and rebasing. The Department dedicated $82 million in part towards the purchase of modular facilities for 7,000 additional spaces in 37 child development centers. The use of modular, temporary facilities are intended to be an interim solution until permanent facilities, which are safer and more efficient, can be constructed. Can you provide a list of the locations where modular facilities were used to satisfy child care requirements?

Mr. Dominguez. The Department is very appreciative of the flexibility this authority allowed us in increasing spaces on a rapid basis. The temporary program to use minor military construction authority for the construction of child development centers provides a means to increase the availability of quality, affordable child care for servicemembers and their families to support the global war on terror and an increased OPTEMPO. In addition to the 37 child development centers you address, spaces were also added using 42 addition/renovation projects. The construction project locations are listed below (by Service):

Army projects:

Fort Drum, NY (2 projects)
Fort Lewis, WA (3 projects)
Fort Riley, KS (2 projects)
Fort Carson, CO (3 projects)
Fort Stewart, GA
Fort Hood, TX
Fort Campbell, KY (4 projects)
Fort Bliss, TX (3 projects)
Hunter Air Field, GA
Walter Reed, Washington, DC
Detroit Arsenal, MI
Fort Bragg, NC
Fort Lee, VA
Tobyhanna, PA
Anniston Army Depot, AL
Fort Sill, OK
Picatinny Arsenal, NJ
Redstone Arsenal, AL
Fort Polk, LA

Navy projects (Modular Facility Construction):

San Diego, CA
NYS Norfolk, VA (2 projects)
NYS Pearl Harbor, HI
Dallas-Reserve site, TX
Gulfport, MS
Pensacola, FL

Marine projects (Modular Facility Construction):

Camp Lejeune, NC
Camp Pendleton, CA

All Air Force projects, with the exception of the project at Eglin Air Force Base (AFB), are permanent spaces as a result of a renovation or addition to an existing facility. The project at Eglin is modular facility construction:

Nellis AFB, NV (2 projects)
Seymour Johnson AFB, NC
Mountain Home AFB, ID
Offutt AFB, NE (2 projects)
Holloman AFB, NM (2 projects)
Little Rock AFB, AR
Moody AFB, GA
Hurlburt AFB, FL
Eglin AFB, FL
Edwards AFB, CA (2 projects)
Tinker AFB, OK (2 projects)
Hanscom AFB, MA
Travis AFB, CA
United States Air Force Academy, CO

Vogelweh Air Base (AB), Germany (2 projects)
Lakenheath AB, United Kingdom
Kadena AB, Okinawa
Osan AB, Korea
Yokota AB, Japan
Hickam AFB, HI (3 projects)
Ramstein AB, Germany (2 projects)
Columbus AFB, MS
Kirtland AFB, NM
Beale AFB, CA
Buckley AFB, CO
Arnold AFB, TN
Eielson AFB, AK
Geilenkirchen AB, Germany (2 projects)
Elmendorf AFB, AK

Eighteen of the Army projects were constructed for immediate use in fiscal years 2006–2007 as a means to address the most pressing child care needs at locations impacted by high deployment and rebasing troop movements. These facilities are linked to Future Years Defense Program Military Construction projects and will remain operational through fiscal year 2013. All other modular construction under the expanded authority has a 50-year lifespan.

33. Senator McCAIN. Secretary Dominguez, can you also provide the Department's investment plan to replace those temporary facilities with permanent construction?

Mr. DOMINGUEZ. The National Defense Authorization Act for Fiscal Year 2006 expanded authority allowed the Services to construct facilities using operation and maintenance funds, providing commanders the ability to respond to urgent situations and to an increased OPTEMPO for the global war on terror. The Army constructed 18 interim Child Development Centers for immediate use in fiscal years 2006–2007. The intent was to address the most pressing child care needs at locations impacted by high deployment and rebasing troop movements. These facilities are linked to Future Years Defense Program Military Construction projects and will remain operational through fiscal year 2013. All other construction under the expanded authority is either permanent modular construction or renovation/addition of an existing facility.

There are 742 child care centers across the DOD. In order to recapitalize this large child care system, we estimate we need approximately 18–20 centers per year. DOD still needs approximately 30,000 spaces.

34. Senator McCAIN. Secretary Dominguez, in fiscal year 2006, this committee proposed a temporary authority, which later became law, to permit the Department greater flexibility in the use of operations and maintenance funds to construct child development centers. This authority is set to expire on September 30, 2007. Does the Department have a position on whether Congress should extend this temporary authority?

Mr. DOMINGUEZ. All of the military Services would like an extension of the expanded child care construction authority contained in section 2805 of the National Defense Authorization Act for Fiscal Year 2006. We will continue to submit those projects to you as required by the authority.

The Department moved forward with an emergency intervention strategy to address the most pressing child care needs at locations impacted by high deployments and rebasing. We will continue to address child care with emergency supplemental actions.

35. Senator McCAIN. Secretary Dominguez, what projects and locations has this authority been used?

Mr. DOMINGUEZ. The temporary program to use minor military construction authority for the construction of child development centers provides a means to increase the availability of quality, affordable child care for servicemembers and their families to support the global war on terror and an increased OPTEMPO. Commanders can use operation and maintenance funding to respond to urgent situations.

The construction projects and locations are listed below (by Service):

Army projects (Modular Facility Construction):

Fort Lewis, WA
Detroit Arsenal, MI
Fort Bragg, NC

Fort Lee, VA
Tobyhanna, PA
Anniston Army Depot, AL
Fort Sill, OK
Picatinny Arsenal, NJ
Redstone Arsenal, AL
Fort Polk, LA

Navy projects (Modular Facility Construction):

NAS JRB Fort Worth, TX
CBC Gulfport, MS
CNET Pensacola, FL

Air Force project is an addition to an existing facility:

Ramstein Air Base, Germany (2 projects)

The Department is appreciative of the flexibility this authority allowed us in increasing spaces on a rapid basis. The DOD is committed to expanding the child development system in order to meet the child care demand due to high deployments and OPTEMPO. Under the temporary minor military construction authorization, the Services initiated projects, which will result in an increase of 1,785 child care spaces. By supporting DOD families' need for child care, we contribute to the efficiency, readiness, and retention of the total force. Without extension of this authority, unmet child care needs will create stress on families. Specific future need for the authority is unknown, since Commanders use this in urgent situations, particularly as rebasing demographics fluctuate.

IMPACT OF 2005 DEFENSE BASE REALIGNMENT AND CLOSURES ON SCHOOLS IN THE LOCAL COMMUNITY

36. Senator McCain. Secretary Dominguez, I have a question about the impact of the 2005 BRAC round on schools in the local communities around bases that will see a significant increase in student populations. As a result of BRAC, many military bases around the country are expected to see increases in military and civilian populations that exceed 5,000 personnel. Recent plans by the President to grow the Army and Marine Corps end strength in the next 5 years by about 91,000 personnel will result in greater population growths. As a result, local communities who have always worked hard to support their military bases, are faced with the daunting challenge of providing housing and schools for the incoming students. Ideally, these communities would like to have these additional schools constructed and ready to go as the student population arrives. In order to do this, these communities need accurate data and timelines for the student population's arrival into the area.

Many communities raised a problem to the level of Congress last year that this planning information was not forthcoming from the DOD. This committee requested and received a DOD report on projected student populations at each location, but some of the numbers in the report conflict dramatically with numbers being provided to local communities by installation commanders. These discrepancies are paralyzing the local community's planning efforts and attempts to raise funds through bond issuances. What can the Department do right now to assist the local communities in their planning efforts to provide schools for our military's children?

Mr. Dominguez. The data provided to Congress in the November 7, 2006, "Report on Assistance to Local Educational Agencies for Defense Dependent Education," was reported by each respective Service, calculated by the total movement of servicemembers. However, when using military servicemember data to evaluate the number of school age children of military and civilian employees who will potentially be moving to a particular military installation, the numbers need to be evaluated in the proper context. The number of military servicemembers moving to a particular installation may not be a true indicator on what is actually happening in a particular community concerning the number of dependents. There are many factors which go into a military member's decisions to move and/or when to move their dependents to the new location.

The most accurate accounting of the number of students occurs between the local command and the local community. Housing locations and availability, housing construction timelines, specific demographics of the military members moving to a location, impact of deployment, and an evolving mission of the Armed Services are factors in determining accurate numbers of arriving students. Therefore, the Department always encourages the local community to plan carefully with the installation command to ensure the most accurate number and timeline.

To answer the question, "What can the Department do right now to assist the local communities in their planning efforts," the Department's Office of Economic Adjustment (OEA) assists communities to plan and carryout community activities in response to significant impacts associated with Defense program changes. OEA's project managers are currently working with 20 communities impacted by BRAC and Global Defense Program Review actions. The assistance includes technical, and, in some cases, grant assistance to local and State governments as they prepare to organize, plan, and implement community development activities in response to Defense personnel growth associated with military installations. Additionally, OEA is working with other Federal agencies to send teams to these designated communities to discuss community growth plans, and will include a representative from the Military Community and Family Policy Office in the teams, whenever there are concerns about school expansion.

37. Senator McCain. Secretary Dominguez, are financial resources from the Federal Government available to local communities for school construction?

Mr. Dominguez. The Department does not have funds that would assist communities in the construction of schools. School construction is under the jurisdiction of the local and/or State government. However, the Department is committed to identifying both Federal and private financial alternatives for communities to consider when expanding schools and/or districts.

The DOD collected the best practices from communities that experienced growth and held a November 2006 conference in Atlanta, GA, that offered communities and schools a wide range of ideas and technical assistance in identifying resources for financial and facilities planning.

Some of the information shared with the communities included Federal resources, such as the United States Treasury Department's program where LEAs can receive no-interest bonds through its Quality Zone Academy Bond (QZAB) Program, primarily to support facility renovation and repair projects. QZAB can assist LEAs in accommodating additional students as a result of DOD force realignments through renovations that increase capacity. For instance, one LEA renovated a building that had not previously been used as a school, converting it into a school building. QZAB also provides additional support, which can potentially alleviate the pressure on other revenue sources currently being programmed to accomplish repair and renovation projects.

Additionally, the Department of Education shares its support for public school programs, such as public charter schools, and gives grants to States to assist the start-up costs and facilities costs of charter schools. Other Federal grants may provide support to LEAs, depending on specific community circumstances, such as the Qualified Public Education Facility Bond Program.

Schools are encouraged to work with their local communities and develop business plans. Military impacted schools who have worked with their communities and examined traditional and alternative ways of financing have found growth to be both a positive and rewarding experience for military families and students.

[Whereupon, at 6 p.m., the subcommittees adjourned.]

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